

BRITISH COLUMBIA

The new Free Trade Agreement between Canada and the United States is good news for British Columbia. The province stands to make major economic strides as the Agreement is implemented.

Most of B.C.'s major exports already move into the U.S. tariff-free. Past problems have resulted from such non-tariff barriers as countervail duties, quotas and safeguards, government procurement preferences and technical regulations.

KEY BENEFITS

Key provisions of the Agreement for British Columbia are the progressive elimination of tariffs, the new mechanism to settle disputes and the agreement on services.

Tariff reductions will make B.C. mineral exports more competitive in the U.S. market. They will also increase the scope for further processing of resource-based products. The Agreement also means lower prices, more variety and selection for consumers.

The creation of a binding binational dispute settlement mechanism ensures better management of our trading relationship as a whole and, as it applies to anti-dumping and countervailing duties, begins the process of joint oversight of our laws dealing with unfair trade practices. Over the next five years, the two countries will negotiate a substitute system of anti-dumping and countervail laws in both countries that will further increase our security of access to the U.S. market.

This can only provide greater security of access to the U.S. market for Canadian exporters. That is precisely what the Government set out to achieve.

MARKET ACCESS

Both countries have agreed to eliminate tariffs over 10 years. This will provide a reasonable period for import-sensitive Canadian industries to adjust to decreasing Canadian tariffs on imports from the U.S., while opening the door to new opportunities for B.C. industry in the U.S. market.

Agricultural tariffs will be phased out over 10 years while safeguard provisions will be in place for 20 years for fresh fruits and vegetables in order to assist B.C.'s horticultural producers.