

- the "superfund" import fee
- customs user fees

Threatened barriers are ruled out vis-@-vis Canadian exports, such as the oil import fee.

The agreement will facilitate trade in natural gas as for other commodities; by reducing or eliminating market barriers and by assuring access to enlarged markets on a non-discriminatory basis. There is a special regulatory consultation provision to try to avoid future FERC and other regulatory decisions discriminating against Canadian products.

The general export control disciplines of the FTA apply to both countries and all goods, including energy. They provide that either country can impose export controls for GATT compatible reasons, for short supply or conservation reasons. If export controls are imposed, exports must be allowed up to the proportion (in the previous three years) of exports to the other country relative to total domestic supply. The effect of this will be to ensure fair treatment of customers on both sides of the border in the event of government-imposed export controls. This assurance of fair treatment of U.S. consumers of all forms of Canadian energy will be an important factor in providing a stable environment for long-term planning of supply relationships.

The agreement confirms the changes that have occurred in Canadian energy policies in recent years. Those changes have been consistent with a market-oriented approach.

Much of Canada's energy future depends on the development of large oil and gas projects. The Free Trade Agreement will provide the assurances of access to the large market necessary to support such projects.

Canada has retained its ability to seek 50% ownership of the upstream oil and gas industry. Our acquisitions policy has been grandfathered and the government will continue to review, where necessary, to reject proposed acquisitions. For example, acquisition by U.S. companies of healthy Canadian controlled companies will not be allowed.

The National Energy Board can continue to monitor and license exports of energy.

Services

Alberta, because of its oil and gas industry, has a high concentration of engineers and scientific related professionals. They will be well poised to take advantage of the services code of the agreement.