

- Canada-U.S. steel trade continues to be unique in the world and should be differentiated from steel trade with other countries.
  - ▶ Canada and the U.S. are in the fourth year of the Free Trade Agreement, in which tariffs and non-tariff barriers are being eliminated.
  - ▶ Unlike other steel exporters, Canada was exempted by the U.S. from its program of Voluntary Restraint Agreements (VRA) in 1984 and in 1989.
  - ▶ U.S. imports from Canada are truckload shipments made to order for just-in-time delivery, rather than large boatload shipments imported into the U.S. from much of the rest of the world for sale at any price.

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Canadian Market Shares (per cent)

|                     | <u>1986</u> | <u>1987</u> | <u>1988</u> | <u>1989</u> | <u>1990</u> | <u>1991</u> |
|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Domestic Production | 81.1        | 81.3        | 78.2        | 81.5        | 75.5        | 73.8        |
| Imports             | 18.9        | 18.7        | 21.8        | 18.5        | 24.5        | 26.2        |
| U.S. Imports        | 4.5         | 5.7         | 7.3         | 8.6         | 15.1        | 16.3        |

U.S. Market Shares

|                     |      |      |      |      |      |      |
|---------------------|------|------|------|------|------|------|
| Domestic Production | 77.0 | 79.1 | 78.9 | 82.1 | 82.4 | 82.2 |
| Imports             | 23.0 | 20.9 | 21.1 | 17.9 | 17.6 | 17.8 |
| Canadian Imports    | 3.5  | 3.7  | 3.1  | 3.1  | 2.9  | 3.3  |

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