

Canada-Australia Arrangement to Enhance Trade

Increased business between Canada and Australia, particularly among their respective small- and medium-size enterprises, is one of the anticipated results of a **Trade and Economic Cooperation Arrangement (TECA)**, signed in Australia on November 15, 1995.

The **TECA**, recognizing the second century of Canada-Australia relations, establishes a Ministerial level Consultative Group on Trade and Economic Cooperation that will consult and cooperate on multilateral, regional and bilateral trade policy issues, as well as on business development.

The Consultative Group will identify options and propose action for further liberalization

and promotion of trade in areas such as market access for goods and services, mutual recognition of industry and professional standards in priority areas, and tariff simplification exercise.

Five priority sectors, identified for the first year, include environmental technology and services, mining and oilfield equipment and services, information services, distance education and entertainment industries (film, multimedia).

The arrangement will enhance business cooperation between the two countries, hence strengthening the export prospects of the companies involved. Canada will be a base for regional operations in North America and Australia a base for Southeast Asia.

The Consultative Group also will discuss how best the two countries can cooperate in pushing the trade liberalization agenda in multilateral or regional fora, such as APEC, the Association for Pacific Economic Cooperation.

For more information about the arrangement or about Canada-Australia trade, contact:

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quota on durum wheat;

- new 10,000-tonne duty-free tariff rate quota on worked oats (racehorse feed);

- improved access under the administration of the pork import quota, and maintenance of the level of 75,600 tonnes on final implementation of the Uruguay Round tariff reductions;

- improved access to cereal grain markets (high-quality wheat, durum wheat);

- an increase in the reduced duty quota for Canadian aged cheddar cheese from 2,750 tonnes to 4,000 tonnes;

Fish and seafood changes:

- tariff elimination on boiled and peeled shrimp within an annual quota of 500 tonnes;

- a 2 percentage point tariff reduction on whole frozen lobsters (8 per cent to 6 per cent);

- lower tariffs on other fish products (cooked lobster flesh, whitefish, hard and soft roes, fish meal, frozen freshwater crayfish);

Other non-agricultural changes include:

- accelerated elimination of tariffs on certain uncoated paper, giving duty-free access to the European market in the year 2000 — four years earlier than originally planned;

- accelerated tariff elimination on newsprint, giving duty-free access to the EU by 2002;

- 50 per cent tariff reduction on snowmobiles (10 per cent to 5 per cent);

- duty elimination on ice skates, pig iron and snow-groomers;

- speedier Uruguay Round tariff reductions on lead, zinc and

chainsaw blades;

- accelerated duty reductions on semi-conductors.

The market access improvements brought about by this agreement will complement the second stage of Uruguay Round reductions which will also improve Canadian exporters' access to the EU market.

The agreement also accelerates the Uruguay Round duty reductions on all non-agricultural products. (The first phase of the Uruguay Round tariff reductions was implemented one year ago, on January 1, 1995.)

For more information on these changes and how to take advantage of them, contact the European Union Division, DFAIT. Tel.: (613) 995-8297. Fax: (613) 944-0034; or the Agricultural Trade Policy Division. Tel.: 995-3256. Fax: (613) 944-0756.