

# News Release

Minister for  
International  
Trade



# Communiqué

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## NEW BENEFITS FROM CANADA-U.S. FREE TRADE AGREEMENT

International Trade Minister John C. Crosbie and United States Trade Representative Carla Hills today announced that the Canada-U.S. Trade Commission has agreed to eliminate certain tariffs applying to approximately \$2 billion worth of two-way trade, ahead of the schedule set out in the Canada-U.S. Free Trade Agreement (FTA). Over 250 tariff items will be affected, as well as more than 400 specific products. Elimination of these tariffs has widespread industry support in both countries.

"Businesses on both sides of the border are showing that they are eager to compete with the minimum possible interference," said Minister Crosbie. "The elimination of these tariffs will facilitate an even greater flow of products across the border, demonstrating the contribution of the FTA to the long-term well-being of both countries."

Tariff elimination will occur in a wide range of sectors, including agriculture, chemicals, machinery and transportation equipment. An example of direct benefits of this action to Canadian exporters is the reduction of the U.S. tariff on canola oil, which will be reduced from 5.2 per cent to zero by January 1992. U.S. manufacturers of coated abrasives will benefit from the immediate elimination of the 7.1 per cent Canadian tariff on these products.

These actions are the result of close co-operation among the sectors involved. "We have held extensive consultations with industry, labour, and provincial and state governments on

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