



news release

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FREE TRADE AGREEMENT -- ACCELERATED TARIFF ELIMINATION

International Trade Minister John C. Crosbie and the Minister of Finance, Michael Wilson, today announced that the detailed list of requests received by the Canadian and the U.S. governments for accelerated tariff elimination under the Free Trade Agreement will be published in the Canada Gazette dated July 15, 1989.

Minister Crosbie stated, "The interest being shown in faster tariff elimination under the FTA demonstrates that Canadian industry is confident about its ability to compete and is eager to have the opportunity to exploit the competitive advantages offered by the Agreement."

Minister Wilson added, "The Government is initiating thorough consultations to seek the views of domestic industry on the desirability of earlier tariff elimination on the items contained in the list."

The Ministers emphasized that the government intends to pursue in subsequent consultations with the United States only those proposals that are in the national interest and enjoy broad support in the Canadian industry sector concerned.

The government will consult closely with the private sector International Trade Advisory Committee (ITAC), the Sectoral Advisory Groups on International Trade (SAGITs) and other industry associations. Canadian companies are encouraged to work with their industry associations. In addition, any interested party may submit written comments on the merits of particular requests.

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Procedures for submitting comments also are set out in the Canada Gazette notice. Copies of the Gazette can be purchased from the Government Printing Centre, Department of Supply and Services, Ottawa, Ontario, (819-997-2560) or from bookstores selling Government publications. In addition, the Gazette is available in most public libraries.

The target date for implementing agreed changes to the respective tariff schedules is January 1, 1990.

The FTA provides for the elimination of all tariffs between the two countries by 1998. For some categories of goods, tariffs disappeared when the Agreement came into force on January 1. For others, tariffs are scheduled to be phased out gradually in five or ten annual stages. The FTA also provides for accelerated elimination of duties on particular items in the FTA tariff schedules, subject to consultation between the two governments.

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