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# news release

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## MINISTERS ANNOUNCE FIRST ROUND OF ACCELERATED TARIFF ELIMINATION UNDER THE NAFTA

International Trade Minister Roy MacLaren and Finance Minister Paul Martin today invited interested parties to submit proposals for early tariff elimination under the North American Free Trade Agreement (NAFTA). They also asked for comments on the early tariff removal proposals already put forward by industries in the three countries (a list of these products is attached).

Details on how companies can submit proposals will be published in the *Canada Gazette* on January 8, 1994. The deadline for views on products already under consideration is February 1, and the deadline for new proposals is February 22.

"The success of early tariff elimination under the Canada-U.S. Free Trade Agreement (FTA) has prompted companies to propose accelerated reductions in tariffs under the NAFTA," Mr. MacLaren said. Three rounds of accelerated tariff elimination under the FTA resulted in approximately \$9 billion in bilateral duties being eliminated.

The Minister emphasized that, as in the FTA, the NAFTA process is driven by industry requests. The Government will consult with companies, industry associations, labour groups, provincial governments and the Sectoral Advisory Groups on International Trade.

Mr. Martin noted that the Government supports those Canadian producers who wish to see the current tariff phase-out schedules maintained. "Where Canadian producers have opposed tariff acceleration requests in the past, the Government will only reconsider if circumstances have significantly changed."

The NAFTA provides for the eventual elimination of most tariffs on Canadian, U.S. and Mexican goods traded between the three countries. While tariffs on some Mexican products were

eliminated on January 1, 1994, others will be phased out in five or 10 equal annual stages. Tariffs on goods traded between Canada and the United States will continue to be eliminated at the rate negotiated under the FTA, but could be eliminated faster under the NAFTA accelerated tariff elimination process.

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For further information, media representatives may contact:

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**PRODUCTS UNDER CONSIDERATION FOR EARLY TARIFF  
ELIMINATION UNDER THE NAFTA**

Dry beans

Bedding components

Cream cheese (under U.S. and Mexican customs tariffs only)

Flat glass

Major household appliances

Potatoes

Wine

Appliance timers

Sesame tape for corrugated containers (i.e. narrow woven fabric)

Debris netting

Keyed padlocks

Fabric for banners

Aircraft fasteners

Medium density fibreboard

The following components for railcars: articles of bedding and similar furnishings, cushions; plastic light lenses; lamps and lighting fittings; laminated safety glass for railway vehicles; steel or aluminum hinges; rubber hoses; lighting equipment; plywood and similar laminated wood, with metal on one or both faces; receptacle boxes of metal; suspension shock-absorbers; insulated wire over 600 volts; propulsion system A.C. motors; mirrors; destination signs and fuses.