

at an interim protection hearing with a complete, translated copy of their proposed new Act. Between the U.S. and Japan, they now control 70 percent of world chip production. Canada like Japan and the EEC has applied for, and received interim protection in the U.S. on application by the Minister of CCAC and four Canadian industrial associations. We are, therefore, required to continue making good faith efforts to legislate protection in Canada if we wish to continue to receive protection in the U.S. The normal course of events would have been for the U.S. to have legislated protection domestically on a national treatment basis while at the same time seeking the establishment of an international convention. The bilateral reciprocity approach embodied in the U.S. Semiconductor Chip Protection Act is, therefore, indicative of a new approach which the U.S. may use again in the future to increase the pressure on foreign governments to accommodate U.S. intellectual property interests with greater speed.

Cable Retransmission

American concerns with cable retransmission rights deserve special consideration in this section given that they were raised specifically in the Quebec Declaration. Canadian cable companies have, for a number of years, been retransmitting signals from American border stations without paying compensation directly to the American broadcaster or