

BACKGROUND NOTES

In 1989, the Government of Canada launched the most comprehensive reviews of agri-food policy ever undertaken. Coupled with an increasing world demand for food and a more liberalized global trading environment as a result of the Canada-U.S Trade Agreement and the Multilateral Trade Negotiations, Canadian agriculture is faced with new opportunities for growth. This ongoing policy review provides a means of taking a fresh look at Canada's agri-food policies and programs, in order to remain competitive and to keep pace with the changes taking place.

To undertake this review, it was necessary to establish a long-term process that would continue to involve industry and government stakeholders in the development of policy options.

A foundation was laid through the creation of 11 government-industry task forces and committees involving hundreds of people from every region of Canada. In most cases, these working groups were asked to prepare reports for federal and provincial Ministers' consideration that provided a detailed analysis of a given issue and offered recommendations. The groups also received written and oral submissions to ensure the widest possible canvassing of opinions.

Both the National Poultry Task Force and the National Dairy Task Force submitted reports earlier this year, recommending a review of methods currently used to allocate import quotas on poultry and dairy products.

The Government has broad authority to control the import and export of designated products and technologies under the Export and Import Permits Act.

Under Section 5 of the Act, the Governor-in-Council has the authority to establish an Import Control List, an Export Control List and an Area Control List. Products may be added to the Import Control List for a number of reasons, including measures taken in support of an agricultural supply management program such as the Agricultural Stabilization Act, the Dairy Commission Act and the Farm Products Marketing Agencies Act.

Import quotas have been applied to certain agricultural products as part of the Government's ongoing effort to manage effectively the supply of agricultural commodities in Canada.

Quantitative controls in the form of Global Import Quotas are administered on a range of products, including chickens, turkeys, eggs, cheese, ice cream and yogurt. In brief, the purpose of quantitative controls is to limit or restrict the importation of