Energy Program, have not been regarded as countervailable subsidies unless targeted to specific industries such as petrochemicals. Under the Gibbons bill, such prices would become countervailable.

The proposed widening of the specificity test poses potential problems for other policy areas such as accelerated depreciation and even for broadly based public expenditure programs such as medicare or occupational training. It is conceivable that, in future, the United States could act unilaterally to make such expenditure programs subject to countervailing duties.

Other unfair trade laws: A variety of other U.S. legal provisions pressure Canada to harmonize its competition laws, intellectual property laws, and regulations with those of the United States. One such pressure is in the extraterritorial application of U.S. antitrust laws and sanctions. In the areas of "conspiracies in restraint of trade" and "attempt to monopolize" under Sections 1 and 2 of the Sherman Act, there is considerable scope for the application of U.S. law in Canada. The 1979-80 uranium case, in which U.S. utilities brought private antitrust actions in U.S. courts against Canadian producers who had participated in government quota arrangements, is a recent example of such extraterritoriality.

Other remedies are available to U.S. industries subject to competition from unfairly traded imports in the domestic market. Under Section 337 of the <u>Tariff Act of 1930</u>, for example, companies that infringe on U.S. patents or breach U.S. antitrust laws are liable to have their imports into the United States seized.

The U.S. administration has also recently stated that it intends to be more aggressive in launching unfair trade actions under Section 301 of the Trade Act of 1974. This section authorizes the president to retaliate against