

officials having responsibility for international trade: the Minister for International Trade in Canada, The Honourable John C. Crosbie, and the United States Trade Representative, Ambassador Carla Hills. After holding two meetings in 1989, the Commission held a further two meetings in 1990, on May 18 in Toronto and October 11 in St. John's. At each meeting, the two ministers reviewed a very complete agenda affecting all aspects of the FTA and cited the progress being made in the implementation of the FTA.

D. Chapter 19 Working Group (Subsidies and Trade Remedies)

FTA Articles 1906 and 1907 provide for a five to seven year period for Canada and the USA to develop more effective rules and disciplines concerning the use of government subsidies in both countries, and a substitute system of rules for anti-dumping and countervailing duties as applied to bilateral trade. To this end and pursuant to Article 1907, the two parties established a Working Group, which has met three times: in Ottawa on May 4, 1989; in Washington on November 15, 1989; and in Ottawa on May 8, 1990.

Canada's preparations for the bilateral negotiations have included wide-scale consultations with the Canadian private sector and with provincial authorities, in order that the full scope of Canada's interests may be taken into account.

The Working Group's activities have so far been preparatory in nature. Substantive negotiations are scheduled to begin early in the spring once the status of the Uruguay Round of multilateral trade negotiations is known.

1.14 Chapter 20: Other Provisions

Pursuant to reciprocal obligations under Article 2006, effective January 1, 1990, Canada implemented in the Copyright Act a right of payment for copyright owners of broadcast programs retransmitted by cable companies. The scheme, which applies to distant Canadian and U.S. broadcast signals carried by cable operators, was instituted by the Copyright Board following hearings that lasted into the spring of 1990. The Board issued its decision on October 2, 1990 providing for royalty levels of approximately \$50 million in 1990 and 1991, approximately 80% of which will accrue to U.S. copyright holders. There were five appeals concerning the decision which were rejected by Cabinet. Others may be filed in Federal Court.