



DEPARTMENT OF EXTERNAL AFFAIRS  
MINISTÈRE DES AFFAIRES EXTÉRIEURES

# communiqué

N°: 22  
No.:

FOR IMMEDIATE RELEASE  
MARCH 8, 1983

UNITED STATES COMMERCE DEPARTMENT PRELIMINARY  
FINDING ON SUBSIDIES TO CANADIAN SOFTWOOD LUMBER,  
SHINGLES AND SHAKES, AND FENCING

---

The Honourable Gerald Regan, Minister of State (International Trade), expressed satisfaction with today's preliminary findings by the United States Commerce Department that those programmes which were found to provide subsidies to Canadian producers of softwood lumber, shingles and shakes, and fencing, were insignificant and, as a result, an interim countervailing duty would not be imposed on Canadian exports to the United States. Minister Regan stated, "I am particularly pleased that the United States Commerce Department, after consideration of the factual information provided by both the federal and provincial agencies involved, concluded that provincial stumpage practices are not subsidies."

The United States Commerce Department has been investigating a petition by certain U.S. producers of lumber and other softwood products that the Canadian lumber industry is subsidized and that Canadian exports to the United States have materially injured the U.S. industry. The petitioners are seeking countervailing import duties to offset the benefit of these alleged subsidies. A variety of federal and provincial industry assistance programmes, as well as provincial practices and pricing for stumpage (timber cutting rights) were alleged to be subsidies. The United States Commerce Department has been investigating whether these programmes and practices are, in their view, subsidies.

On March 8, that U.S. government agency announced that, although provincial stumpage practices are not subsidies, certain other federal and provincial industrial assistance programmes, such as the Regional Development Incentives Programme and other loan and grant programmes, are, in their view, subsidies. However, the value of the assistance provided, when factored over the value of Canadian production (about \$5 billion