

- For the first time, regional development programs and industrial research that meet the new criteria would be exempt from the threat of countervail. These benefits would be available to both federal and provincial governments. Indeed, the whole province of Quebec would fully qualify for regional development assistance under the proposed GATT criteria.
- There would be greater disciplines on the use of countervailing measures (for example, more stringent conditions for launching investigations and stricter injury determination).
- The definition of a subsidy would clearly protect social and labour adjustment programs from the threat of countervail.

"These criteria will protect firms in Quebec and across Canada from the kind of harassment they often face in countervail cases. In addition, there are absolutely no new prohibitions of any Quebec industrial development instruments under the proposed GATT deal," Mr. Wilson said.

"Canada has only one problem with the current draft GATT agreement on subsidies and countervail. It is the so-called provincial specificity issue. We are continuing to seek a satisfactory solution to it as the Uruguay Round reaches its final stages. This issue, however, needs to be kept in its proper perspective, in light of all the benefits mentioned above."

The Minister added, "The Quebec Manufacturers Association should know the benefits that the GATT has brought to this country and to the world economy over the past 40 years, including elimination of approximately 80 per cent of the tariffs in industrialized countries. Successful conclusion of the Uruguay Round will lower or eliminate trade barriers to some \$3.5 billion worth of global trade and extend trade rules to services, investment and intellectual property. In short, this is a very good deal for Quebec, and we are trying to make it better."

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