



No. 250

November 1, 1990.

EXPORT CHARGE LOWERED ON QUEBEC SOFTWOOD LUMBER EXPORTS

International Trade Minister John C. Crosbie announced today that the export charge on softwood lumber exported from Quebec to the United States will be reduced from 8.0 per cent to 6.2 per cent effective today.

On November 1, 1991, the tax will be further reduced to 3.1 per cent, and beginning November 1, 1992, until October 31, 1994, the tax will be reduced to 3.0 per cent.

This agreement was reached October 31, 1990, by senior representatives from the Governments of Canada, Quebec, and the United States. The agreement stems from a 1986 Memorandum of Understanding (MOU) between Canada and the United States. These reductions reflect agreement on the value of a package of replacement measures introduced by the Government of Quebec.

The MOU on trade in softwood lumber signed by Canada and the United States in December 1986 provides that Canada may reduce or eliminate the export charge on the basis of increased stumpage or other charges by provinces on softwood lumber production. The Understanding also provides that the calculation of the value of provincial replacement measures in relation to the export charge will be the subject of further consultation and agreement between the two Governments.

- 30 -

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