

The program which I am announcing today will supplement recent Government actions to facilitate adjustment of the Canadian steel industry to the difficult conditions surrounding international trade in steel. In August 1985, country-of-origin marking requirements were introduced for imported steel pipes and tubes. In September 1986, an import monitoring system for carbon steel was established under the Export and Import Permits Act. In the February 1987 Budget, the Minister of Finance announced withdrawal of the General Preferential Tariff on steel.

As a major element of a program designed to help maintain our open access to the U.S. steel market, the Government is taking further action to ensure that we have more accurate data on exports and imports and that Canada is not used as a "back door" to the U.S. market by off-shore steel suppliers. This will be achieved by monitoring steel exports and imports under the Export and Import Permits Act. We are seeking the assistance and consent of the Opposition Parties to bring forward an amendment to achieve this at an early date.

Monitoring will not only provide a better appreciation of the complexities in our steel trade with the U.S. but will be very useful to both the Government and the industry in resisting pressures in the U.S. for restrictions against imports from Canada.

In addition, we are exploring with the U.S. the desirability of establishing a joint commission to ensure a better understanding of problems we in North America face, as a result of global conditions affecting trade in steel. I consider this to be a very worthwhile initiative, particularly in view of the problems steel industries on both sides of the border are likely to face in the future.

Finally, it will be important for Canadian companies to continue to exercise prudence in their steel exports to the U.S. as well as to seek the active support of allied interests among public and private sector groups in the U.S. for unrestricted cross-border trade in steel.

We will step up our efforts on information exchange with U.S. politicians. I would like to thank the Parliamentary Steel Caucus led by Mr. Bill Kempling, M.P., and all members of this House who have participated in this initiative. My special appreciation goes to the Canadian steel companies and the steel workers union for their cooperation in the development of the policy. These efforts, together with the measures I have just announced, will go a long way to preserving our access to our most important export market."