

Minister of Industry,
Science and Technology and
Minister for International Trade



Ministre de l'Industrie, des
Sciences et de la Technologie et
ministre du Commerce extérieur

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MINISTER WILSON RESPONDS TO QUEBEC MANUFACTURERS ASSOCIATION POSITION ON DRAFT GATT PROPOSAL

The Honourable Michael Wilson, Minister of Industry, Science and Technology and Minister for International Trade, today said the Quebec Manufacturers Association (QMA) either misunderstood or is misleading the public on how the world trade negotiations might affect economic development instruments in Quebec.

The Minister was responding to a statement issued by the QMA in Montreal today. The statement suggested that the subsidy and countervail proposals in the draft General Agreement on Tariffs and Trade (GATT) proposal would prevent the Quebec government from providing industrial subsidies.

"It is simply misleading to suggest that this important agreement would mean that Quebec would lose important economic levers. Quite the contrary, Quebec would be much better off under the proposed new rules," Mr. Wilson said.

The Minister explained the overall benefits that Quebec, other provinces and Canada would gain from a world agreement on subsidies and countervail.

- For the first time, there would be an internationally agreed definition of what constitutes a trade-distorting subsidy and how to calculate such a subsidy. This means that Caisse de dépôt loans and loan guarantees provided at commercial rates, as well as government bonds, would not constitute subsidies.