

- (ii) Worldwide protectionist sentiment has gained momentum. The USA, EEC and Japan, the major steel markets, have shielded themselves from import competition through a variety of non-tariff barriers such as export restraint arrangements, bilateral trade agreements and intricate internal distribution systems. Other developed and developing countries employ a wide range of trade barriers and there is no present indication that these will be relaxed. Canada would appear to be highly vulnerable in terms of both very low-priced import competition and diminishing export opportunities;
- (iii) Canadian carbon steel imports in 1985 were some 90 percent higher than they had been in 1976 and held 22.7% of the Canadian market. This is a much larger percentage of the domestic market than is the case in either Japan (2 to 4%) or the EEC (10%). Only the USA has found imports occupying a larger share of the domestic market (25.3%), although the upward trend in the USA has been reversed since the introduction of some 18 voluntary export restraint arrangements.

In light of the foregoing, the Tribunal therefore determined that carbon steel products are being and are likely to be imported into Canada at such prices, in such quantities and under such conditions, as to make it advisable to collect information with respect to the importation of such goods.

Miss Carney has accepted the recommendations of the Canadian Import Tribunal. In this light, the Minister, under the Export and Import Permits Act, proposes to recommend that carbon steel be placed on the Import Control List, effective September 1, 1986, in order to facilitate the collection of information with respect to the importation of such goods.

Miss Carney emphasized that this action would not be establishing formal quantitative controls on steel imports. Import permits would be issued upon proper application in accordance with the Act and would be available through a Canada-wide online computerized customs broker system.