

DEPARTMENT OF EXTERNAL AFFAIRS MINISTÈRE DES AFFAIRES EXTÉRIEURES

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U.S. INTERNATIONAL TRADE COMMISSION RULES IN CANADA'S FAVOUR ON IMPORTS OF CANADIAN FORK LIFT ARMS

The Secretary of State for External Affairs, the Right Honourable Joe Clark, welcomed today's 6-0 decision by the United States International Trade Commission that U.S. producers of fork lift arms were not being seriously injured as a result of imports, primarily from Canada. "The vote reflected the fact that Canada had a strong case and argued it effectively to the Commissioners", said Mr. Clark.

Section 201 of the U.S. Trade Act of 1974, also known as the escape clause, authorizes the President to provide import relief to domestic industries seriously injured by increased imports. An escape clause action usually is initiated by a petition from the industry involved to the U.S. International Trade Commission (ITC) which investigates and reports to the President. No further action is taken if the ITC does not find that serious injury or the threat of such injury exists.

Canadian exports of fork lift arms to the USA total about \$25 million annually. The two Canadian producers, Kenhar Products Inc. and Frectoweld Company Ltd. are both located in Ontario.

Mr. Clark indicated that officials from his Department and other federal officials had been working very closely with Kenhar and Erectoweld in developing the best strategy for defending Canadian trade interests. "We wanted to make sure that no stone was left unturned. From the beginning we made it clear to Kenhar and Erectoweld, and their workers, that the Canadian Government was fully committed to help them fight this all the way."