



news release

Date **November 30, 1992**
For release

No. 224

CANADIAN INTERNATIONAL TRADE TRIBUNAL STUDY ON ALLOCATION OF IMPORT QUOTAS FOR AGRICULTURAL PRODUCTS Tabled IN HOUSE OF COMMONS

The Honourable Michael Wilson, Minister of Industry, Science and Technology and Minister for International Trade, and the Honourable Bill McKnight, Minister of Agriculture, announced today that the Canadian International Trade Tribunal (CITT) study on the allocation of import quotas for agricultural products has been tabled in the House of Commons.

The government asked the CITT in August 1991 to hold an inquiry into methods of allocating import quotas for agricultural products and to report its findings within 14 months. The terms of reference specified that the Tribunal study allocation methods from the perspectives of equity, predictability, economic efficiency, transparency, entry to the industry, market responsiveness and competitiveness.

Mr. McKnight stressed that the focus of the report was neither the operation of the supply management systems nor the size of the import quotas maintained by Canada under Article XI of the General Agreement on Tariffs and Trade (GATT). Rather, the study focuses on how quotas should be distributed among importers, and does not diminish the government's support of our existing supply management system.

"This inquiry was commissioned because of complaints over the years about the current system of allocating import quotas, and because the National Poultry and Dairy Policy Task Forces recommended that quota allocation methods in their sectors be reviewed," Mr. McKnight said. He added that the government's commitment to open and effective policy-making required that it take these complaints seriously.

The CITT concluded that the most equitable and efficient way of allocating import quotas on end products (shell eggs, cheese and other dairy products) was an auction system. For certain products, such as chicken and turkey, the CITT recommended that