

The decision was in response to the countervailing duty order of eight cents per kilogram imposed by the DOC, effective September 13, 1989.

"We are encouraged by the panel's finding that the DOC must provide more evidence to support its ruling on the countervailability issue and the appropriateness of the conversion factor it used," said Mr. Crosbie.

"The Agricultural Policy Review, already under way, will take into account the results of both Chapter 19 panels and the outcome of the Multilateral Trade Negotiations," said Mr. Mazankowski.

The request for the FTA panel review of the subsidy issues was made jointly by the federal government, the Canadian Meat Council, the Canadian Pork Council, and the governments of Alberta, Ontario and Quebec.

In a related matter, an FTA panel on pork injury has yet to reach a decision on whether the U.S. International Trade Commission (ITC) was correct in finding that Canadian pork exports injured U.S. producers. The panel remanded the issue to the ITC for reconsideration on August 24, 1990. The ITC will return with the results of the remand on October 23, 1990.

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