

b. List of Programs that Will/
Will Not Be Countervailable

A somewhat more specific approach to increasing predictability for Canadian industry would be for the U.S. and Canadian Governments to evaluate all of the current economic programs of Canada and the United States and prepare a list of those programs that would be countervailable and those that would not.³¹

Alternatively, the list could indicate types of programs (for example, those designed to promote research and development, or for worker retraining). This list would then be given dispositive influence in countervailing duty actions involving the listed programs.

In addition, this list could be the basis of a commitment from both governments to limit subsidy programs that affect Canada-U.S. trade.³² Currently,

³¹ Conceivably, some economic programs exempted under this procedure might still be limited with quantitative restrictions.

³² Such an obligation is already imposed by section 11.2 of the GATT Subsidies Code, which provides that

Signatories recognize that [domestic] subsidies . . . cause or threaten to cause injury to a domestic industry of another signatory . . . , in particular where such subsidies would adversely affect the conditions of normal competition. Signatories shall therefore seek to avoid causing such effects through the use of subsidies.

However, this provision has not been given meaningful effect.