



News Release

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GATT PANEL FINDS U.S. DISCRIMINATES AGAINST CANADIAN ALCOHOLIC BEVERAGES

The Honourable Michael Wilson, Minister of Industry, Science and Technology and Minister for International Trade, today welcomed the findings of the General Agreement on Tariffs and Trade (GATT) Panel Report on U.S. federal and state measures affecting beer, wine and cider imports from Canada. The Report was considered today at the GATT Council meeting and, at the request of the United States, has been deferred to the next meeting of Council for adoption.

"We are pleased that GATT has upheld our complaint against the many discriminatory practices that unfairly treat Canadian products in the U.S. We are pressing the U.S. for early adoption and implementation of the Panel's conclusions," Mr. Wilson said.

Canada commenced GATT proceedings in February 1991 in response to complaints by Canadian beer, wine and cider producers. The Canadian complaint to GATT dealt with some 60 measures, including discriminatory federal taxes and practices in 39 states that affect the distribution, taxation, listing, pricing, access to points of sale, and transportation of these products. These measures provide an unfair advantage to U.S. products.

The GATT Panel found that most of the measures cited by Canada were in breach of U.S. trading obligations. The GATT Report requires the U.S. government to take action to bring these measures into conformity with these obligations.

Mr. Wilson noted that, by successfully challenging these significant barriers to Canadian beer, wine and cider, the government has set the stage for improved access to what is by far our single largest market for beer, wine and cider.