The Minister also noted Canada has brought a complaint before the GATT against U.S. federal and state measures affecting the sale of Canadian beer, wine and cider. This panel is expected to give its ruling in the new year.

A Federal Register notice published Wednesday by the U.S. government said that in the absence of a "mutually satisfactory solution" between Canada and the United States, the U.S. Trade Representative proposes to take action under Section 301 of the U.S. trade law by December 29 this year. Increased duties on Canadian beer and other alcoholic beverages are among the actions identified for consideration.

- 30 -

For further information, media representatives may contact:

Media Relations Office External Affairs and International Trade Canada (613) 995-1874