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MINISTERS WELCOME RULING EXTENDING COUNTERVAILING DUTIES ON EC BEEF

Minister of Industry, Science and Technology and Minister for International Trade, the Honourable Michael H. Wilson, and Minister of Agriculture, the Honourable Bill McKnight, welcomed the ruling announced today by the Canadian International Trade Tribunal (CITT) which will extend for five more years the countervailing duty on subsidized boneless manufacturing beef from the European Community.

The ruling keeps in force a countervailing duty first applied in 1986 as a result of a finding that imports of subsidized EC beef posed a threat of injury to the Canadian cattle industry.

"Increasing use of export subsidies by EC countries in recent years has caused serious damage to a wide range of Canada's agricultural products," said Mr. Wilson. He also noted that a key objective for Canada in the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) negotiations is the reduction and eventual elimination of this trade practice.

Mr. McKnight added that "the present level of export subsidization has not only been a threat to our beef industry, but has been devastating to our grains and oilseeds producers."

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