

syndrome. The measures require that imported pork be cooked either in the exporting country or in a transitional facility in Australia. These measures raise the cost of Canadian pork and exclude Canadian exporters from direct access to Australia's retail market. Canada considers the restrictions to be more trade-restrictive than necessary.

In May 1998, Australian authorities initiated a generic import risk analysis (IRA) on imported pork. Canada participated in the IRA process that led to the release of the final IRA in February 2004. The new import conditions, implemented in July 2004, include quarantine import requirements to control entry of the post-weaning multi-systemic wasting syndrome (PMWS) into Australia. Canada believes that Australia's PMWS measures do not reflect the most current scientific literature, and it is making representations with appropriate Australian authorities on this issue.

Pork: Productivity Commission Inquiry

At the request of the Australian government, the Productivity Commission initiated an inquiry into Australia's pig meat industry on August 31, 2004. On December 15, 2004, the Commission issued a draft report that concluded that the economic difficulties faced by Australian pig meat producers do not justify additional government assistance. The Australian industry is using this inquiry as an opportunity to argue that the Australian government should impose temporary safeguards measures against imports. Canadian industry made a submission to the inquiry in October 2004. The draft inquiry report included an analysis of the structure and regional distribution of the industry, key factors influencing its profitability, the international competitiveness of the industry, and the impact and effectiveness of government and industry programs. The Canadian government continues to closely monitor the progress of the inquiry. The final report is expected in March 2005.

Linear Low-Density Polyethylene: Antidumping Investigation

On November 9, 2004, the Australian Customs Service initiated an investigation into the alleged dumping of linear low-density polyethylene exported from Canada. The preliminary determination, which

could lead to provisional duties is expected in January 2005. A final report and recommendations are due by April 12, 2005. The Canadian industry is participating in the investigation, and the Canadian government will monitor the process.

New Zealand

Overview

In 2004, Canada exported \$457 million in merchandise to New Zealand and imported \$538 million in return. In 2004, Canada's leading exports to New Zealand were vehicles, machinery, fertilizers, wood and meat. Canada was New Zealand's largest foreign supplier of each of these products. In the same period, Canada's leading imports from New Zealand were fresh, chilled and frozen beef and lamb meat, dairy and machinery. Total Canadian direct investment in New Zealand was \$454 million in 2003.

Canada's Market Access Priorities for 2005

- Continue to press for improved access for Canadian pork.
- Make representations for removal of New Zealand's trout import ban, which has just been extended until November 2007.

IMPROVING ACCESS FOR TRADE IN GOODS

Pork

Effective September 1, 2001, New Zealand imposed requirements suspending the import of unprocessed pork products from Canada and other countries due to alleged animal health concerns relating to porcine respiratory and reproductive syndrome. The measure requires that imported pork must be cooked either in the exporting country or in a transitional facility in New Zealand. These measures raise the cost of Canadian pork and exclude Canadian exporters from direct access to New Zealand's retail market. Canada considers the measure to be more trade-restrictive than necessary. Canadian and New Zealand animal health authorities are consulting on the matter.