The first step in a Chapter 18 dispute settlement process is the request for bilateral consultations. If these consultations do not resolve a dispute within 30 days, Canada may refer the case to the Canada-United States Trade Commission. If settlement is not reached in this forum within a further 30 days, Canada could request the establishment of a panel of experts to render an objective and independent judgment on the case.

Announcing the request for consultations, Mr. Crosbie said that "this action demonstrates the government's intention to exercise vigorously Canada's rights under the Agreement in order to defend Canadian trade interests in the U.S. market."

The Minister also noted that there may be some confusion in the media and public about the implementation of FTA provisions covering a remuneration regime for the retransmission of television signals.

The FTA provides a full year for the implementation of this regime, with the obligation to establish a remuneration system and to provide remuneration not coming into effect until next January. The government will use the interim period to establish a Copyright Board and to adopt the required technical definitions.

The fact that the Copyright Board is not in place and that amendments to the Copyright Act provided by Bill C-2 have not yet been proclaimed is perfectly consistent with the FTA. These measures will be implemented in due course and within the timetable provided by the FTA.

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For further information, contact the Media Relations Office at (613) 995-1874