



news release

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MACLAREN WELCOMES FTA INJURY PANEL DECISION ON SOFTWOOD LUMBER

The Honourable Roy MacLaren, Minister for International Trade, noted with satisfaction today's ruling of a Canada-U.S. Free Trade Agreement (FTA) binational panel that Canadian softwood lumber imports do not cause injury to the U.S. domestic industry.

The Panel upheld its July 26, 1993, ruling and rejected the U.S. International Trade Commission (ITC) determination of October 18, 1993, that there was evidence of injury to the U.S. industry.

"This is a welcome and important development in this long and costly dispute," Mr. MacLaren said. "Two FTA panels have now upheld their earlier rulings that Canadian programs do not confer countervailable subsidies and that Canadian softwood lumber imports do not injure the U.S. domestic industry."

The Panel concluded that there was no basis for a material injury determination. However, the Panel has provided the ITC with a limited opportunity to review one element of its previous decision. The ITC has 45 days, or until March 14, to respond to the Panel.

The current cash deposit rate of 6.51 percent remains in effect for Canadian softwood lumber exports to the United States. Canadian 1993 softwood lumber exports to the United States are expected to total approximately \$6 billion.

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