

organisms (GMOs). The use of labelling to indicate health and safety concerns is a legitimate objective, and Canada supports labelling to convey this sort of important information to consumers. However, Canada is concerned over the increased tendency towards mandatory method of production labelling when there are other options available that are equally effective. The use of mandatory labelling to indicate the process and production method (when it does not pertain to the characteristics of a product) could be used to discriminate against "like products" and could represent a technical barrier to trade. Non-discrimination is a principle enshrined in the WTO Agreement.

It is important to note that the issue of mandatory method of production labelling is not limited to foods derived from biotechnology. Mandatory method of production labelling could have very serious implications for other Canadian industries, including manufacturing, mining, forestry and fisheries. Canadian industry, consumers and producers have recognized the need to provide more information to consumers, as well. Through the Canadian General Standards Board, these groups are developing a voluntary standard which would provide a framework for the voluntary labelling of foods obtained through or not obtained through biotechnology. Canada has been promoting this approach with our trading partners, such as the European Union, China, Hong Kong, Korea, and Australia and will continue to do so. Along with this approach, Canada will continue to ensure that labelling requirements are practical and do not pose unnecessary obstacles to trade.

Trade Remedies

Canada welcomed the decision at the Doha Ministerial Conference to launch negotiations on anti-dumping and subsidies and countervailing measures, as part of the new round of multilateral trade negotiations. The pursuit of more specific disciplines, as well as improved transparency and clarity in the use of trade remedy measures by our trading partners, was a priority for Canada in the lead-up to Doha, and formed the basis of our support for WTO negotiations in these areas.

The importance of these objectives remains evident, as non-traditional users of trade remedies continue to initiate and conduct investigations, in particular in the area of anti-dumping.

Regarding subsidies, these negotiations will help curb the use of government subsidies that distort trade and improve rules for taking action against such practices. It is in the context of such an approach that the Ministerial Declaration cited the case of subsidies in the fisheries sector, an important sector for many developing countries. Canada supports discussions that will cover subsidies in this sector that contribute to overcapacity and overfishing. The aircraft, shipbuilding and steel sectors are further examples of areas in which Canadian concerns will be pursued in the negotiations.

Canada continues to monitor and assist Canadian exporters involved in investigations of Canadian exports; analyse changes in the trade remedy laws and practices of Canada's most important trading partners; and make representations, as appropriate, in specific investigations. Regarding the latter item, the Government of Canada was active with respect to U.S. anti-dumping duty investigations involving mussels, tomatoes and steel wire rod; two U.S. safeguard investigations involving steel products, including one that covered almost all steel; and a U.S. Section 301 investigation involving the Canadian Wheat Board and Canadian wheat sector policies.

Canada continues to contribute to the work of the WTO committees on Subsidies, Anti-Dumping Measures and Safeguards to ensure that all members administer their trade remedy laws in a WTO-consistent manner. As well, Canada participates as a third party in WTO dispute settlement proceedings involving issues of importance to Canada. In this context, Canada participated as a third party in WTO proceedings regarding the U.S. Foreign Sales Corporation and the U.S. safeguard action on line pipe; Canada also participated as a co-complainant in the WTO challenge of the U.S. "Byrd Amendment."

Rules of Origin

The WTO Agreement on Rules of Origin established a work program to develop common rules of origin for non-preferential trade. In the development of such rules, Canada's objectives are threefold: to achieve common rules that will provide greater transparency and certainty for traders; to prevent countries from using rules of origin to impair market access; and to achieve rules that are technically proficient, reflecting the global nature of the production and sourcing of goods and materials.