

# News Release

Minister for  
International  
Trade



# Communiqué

Ministre du  
Commerce  
extérieur

No. 052

March 9, 1989.

## OTTAWA AND ONTARIO GOVERNMENTS REACH AGREEMENT

### ON GRAPE AND WINE INDUSTRIES

The federal and Ontario governments have reached agreement on a broad assistance package for the province's grape and wine industries.

The program maintains the integrity of Ontario's 12-year competitiveness strategy, and will mean Canada's international trade obligations under the General Agreement on Tariffs and Trade (GATT) and the terms of the Free Trade Agreement (FTA) will be implemented in the wine area.

Last year, the federal and Ontario governments announced a grape and wine industry adjustment program, shared equally, that will provide assistance for removal of grape acreage, quality enhancement, and price support as well as wine market development. That will go forward as planned with a further \$5 million from the federal government for the marketing of Canadian wine.

The new assistance package provides for up to \$45 million in additional funding, cost-shared between the Ontario government and the industry, for a wine enhancement and image program.

Ontario's financial contribution will come from reductions of the markup differential applied to wines. Changes in markups will be announced shortly by the Liquor Control Board of Ontario.

International Trade Minister John Crosbie said the agreement "is consistent with Canada's obligations under the GATT as well as the Free Trade Agreement with the United States."

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