
Canada also objected when the United States levied antidumping duties against Canadian salt cod in 1985 on the basis that a significant domestic U.S. industry did not exist to be injured by these exports. The new binational dispute settlement mechanism would review and rule on such situations and provide for correction of erroneous applications of U.S. trade laws.

Canada was successful in ensuring that social and regional development assistance programs not be affected by the Agreement. The government's ability to implement Canada-wide assistance programs relating to the Canadian Jobs Strategy and Unemployment Insurance Program are untouched by the Agreement.

Both countries have agreed to negotiate by 1996 a substitute system of rules for dealing with unfair pricing and government subsidization.

Quantitative Restrictions

Canada and the United States have both agreed not to introduce quantitative trade restrictions except in accordance with the General Agreement on Tariffs and Trade (GATT). If one country does take export measures for short supply or conservation reasons, export licences must be issued up to the share traditionally shipped to the other party. This traditional proportion is to be established on the basis of a mutually agreed previous period or, failing agreement, on the previous three-year period.

In recognition of the role of fisheries in the Atlantic provinces and Quebec, the Agreement makes an exception for provincial regulations which limit shipments of unprocessed fish. These policies cannot be challenged under the Agreement.

It was not possible to secure U.S. agreement to make an exception as well for regulations concerning the export of unprocessed fish from British Columbia. Federal regulations were the subject of a GATT panel review. Now that the panel report has been released, Canada is working within the GATT framework to seek a bilateral resolution to this matter with the United States. The Agreement is silent on the question of existing B.C. laws and regulations on the export of unprocessed fish. The Government is committed to protecting the interests of the B.C. fishing industry and will be continuing full consultation with the industry and the province of British Columbia.

Technical Barriers to Trade

The governments of both countries have agreed to maintain regulations to protect human, animal and plant life. Consistent with this need for technical regulations and standards and the need to facilitate commerce, both countries will seek to harmonize technical regulations.

The governments of both countries have also agreed not to use technical standards to restrict trade in fish products. This is important since U.S. technical standards created through regulations have impaired some Canadian fish exports in recent years. These primarily relate to the following: the U.S. Food and Drug Administration mercury content regulations for swordfish; possession limit requirements, particularly those stipulated by the New England Fisheries Management Council, regarding size limits for groundfish, lobster and scallop imports from Canada and other countries; and prohibitions by the states of Minnesota and Michigan against the sale of cold-smoked fish.