

Canadian Actions

Canada has actively pursued a number of avenues to counteract the most egregious elements of the U.S. anti-dumping and countervailing duty laws. In the first instance, Canada has pressed for tougher and clearer rules to govern the application of anti-dumping and countervailing duties during the Uruguay Round of Multilateral Trade Negotiations of the GATT. We have sought, through the Working Group on Subsidies and Trade Remedies established under the FTA, to develop more effective disciplines on the use of subsidies by both governments as well as a substitute system of trade remedies to deal with government subsidization and unfair pricing. This work was deferred, however, pending the conclusion of the MTN. Upon its conclusion, Canada will determine what future work may be required to develop more effective rules and disciplines as provided for under the FTA.

On numerous occasions, Canada has raised its specific concerns related to U.S. practice or law in the GATT Committees on Anti-dumping Practices and Subsidies and Countervailing Measures. We have been quick to challenge particular U.S. actions in both the GATT and FTA dispute settlement forums, with considerable success.

III. GOVERNMENT PROCUREMENT AND DOMESTIC PREFERENCE LAWS

The GATT Agreement on Government Procurement and the Free Trade Agreement provide open and competitive access to a segment of federal government contracts in the United States. Nevertheless, a significant portion of federal, state and local procurement remains closed to Canadian businesses due to a range of "Buy American," "set aside" and other legislated exceptions to the GATT Agreement on Government Procurement. The most significant of these measures are outlined below.

Buy American Act

U.S. federal departments and agencies are required by the Buy American Act to favour suppliers based in the United States when buying goods and services. In some cases, the Act is overruled by U.S. international trade obligations. But,