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The U.S. Commerce Department has been investigating a petition by the North Atlantic Fisheries Task Force, Gloucester, Mass. that the Canadian federal and certain provincial governments are providing subsidies to the production of fresh groundfish in Canada and that Canadian exports of such products to the U.S. have materially injured the U.S. industry. The U.S. petitioners are seeking countervailing duties to offset the benefit of these alleged subsidies.

In conclusion, Minister Kelleher indicated that federal officials will be meeting with the provinces and the Canadian industry shortly to consider Canada's response to this preliminary determination. Minister Kelleher stated that "we are determined, with the continued cooperation of the provinces and the Canadian industry, to turn back this serious threat to a vital Canadian export".