October 16,1989

BACKGROUND CHRONOLOGY: SALMON AND HERRING

This issue arose from a petition filed in <u>April, 1986</u>, under Section 301 of the U.S. Trade Act (retaliation against unfair trading practices). The complaint was that while Canadian fish processors were buying significant quantities of unprocessed Alaskan salmon and herring, U.S. processors were denied any access to unprocessed salmon and herring from British Columbia.

Canadian regulations under the Fisheries Act prohibited the export of Pacific sockeye and pink salmon and herring unless it was processed in a federally certified plant in B.C. Other salmon species, such as coho, chinook, and chum, were not subject to these regulations.

- The U.S. does not maintain comparable export restrictions. In the past, as much as 15 percent of the salmon and 8 percent of the herring processed in B.C. was imported from Alaska.
- After two rounds of bilateral consultations in <u>September</u> <u>and October, 1986</u>, the U.S. took the complaint to a GATT Panel in <u>March, 1987</u>. A final determination in the U.S. Section 301 investigation was deferred pending the outcome of the GATT process.
- In <u>November, 1987</u>, the GATT Panel made its finding that Canada's export restrictions were inconsistent with the GATT because the measures were primarily trade restrictive rather than conservation or marketing measures.
- Canada agreed to accept the report's adoption by the GATT on <u>March 22, 1988</u>, and announced the intention to remove the GATT-inconsistent measures.
- A series of consultations was then held with the B.C. industry and government on appropriate action to implement the GATT Panel recommendations.