



DEPARTMENT OF EXTERNAL AFFAIRS  
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## VISIT OF MINISTER REGAN TO WASHINGTON

The Honourable Gerald Regan, Minister of State (International Trade), announced today that he would be visiting Washington on February 28, 1983, to meet with the U.S. Secretary of Commerce, Mr. Malcolm Baldrige, to discuss the U.S. Commerce Department's investigation of Canadian softwood lumber exports.

An agency of the U.S. Commerce Department has been investigating a petition by certain U.S. producers of lumber and other softwood products alleging that the Canadian lumber industry is subsidized and that Canadian exports to the U.S. have materially injured the U.S. industry. A variety of Federal and Provincial industry assistance programs as well as Provincial practices and pricing for stumpage (the right to cut trees) were alleged to be subsidies. The U.S. Commerce Department has been investigating whether these programs and practices are, in their view, subsidies and will make a preliminary finding to be announced on March 8, 1983.

Minister Regan indicated that his objective in meeting with Secretary Baldrige is to take what will be the final opportunity before the preliminary subsidy determination to underline once more Canada's view that the subsidy allegations, particularly those concerning Provincial stumpage practices, are without substance. The Minister will stress the importance of lumber exports to the U.S.A. for the Canadian economy. These exports were valued at about \$2,000,000,000 in 1981. As much as 60 percent of Canadian production is exported to the U.S.A. British Columbia accounts for 70 percent of total Canadian production followed by Ontario, Quebec, New Brunswick, Alberta and Manitoba.