

News Release

Minister for
International
Trade



Communiqué

Ministre du
Commerce
extérieur

No. 312

December 19, 1989.

PUBLIC STATEMENT IN CONNECTION WITH REPORTED STATEMENTS

BY PREMIER WELLS OF NEWFOUNDLAND

ISSUED BY THE HONOURABLE JOHN C. CROSBIE

MINISTER FOR INTERNATIONAL TRADE

DECEMBER 19, 1989

Premier Clyde Wells, if quoted correctly in the St. John's Evening Telegram of December 18th and in a Canadian Press wire service report of December 19th, is mistaken with reference to any alleged effect of the Free Trade Agreement between Canada and the United States on the East Coast fishery and the opening or closing of fish plants.

There is absolutely nothing in the Free Trade Agreement that has any effect whatsoever with respect to the use by the United States of its subsidies and countervail legislation.

Premier Wells is quoted as saying that before the Free Trade Agreement it would have been easier to buy the shares of National Sea to keep their plant open at St. John's or to subsidize the operations at that plant. This is completely wrong. The U.S. laws existed before the Free Trade Agreement was entered into. The FTA does not affect the laws either of Canada or of the U.S. with respect to subsidies and countervail actions by either country except for the new Joint Panel Appeal Process which protects Canada from the biased application of U.S. countervail law.

If the Government of Newfoundland wishes to keep the St. John's plant open then the Free Trade Agreement with the United States does not prevent that. Nothing in the FTA prevents the Government of Newfoundland from either buying the National Sea Plant or subsidizing the operation of that plant. The Government can either buy the plant or subsidize the operations of that plant and the Free Trade Agreement will not prevent either action.

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