

Chronology

SOFTWOOD LUMBER

1982-83

The United States conducts the first countervailing duty investigation of softwood lumber from Canada. The Department of Commerce (DOC) concludes that Canadian programs do not confer subsidies to Canadian lumber producers.

1986

The United States conducts the second countervailing duty investigation of softwood lumber from Canada. The DOC reverses itself and concludes that provincial stumpage programs confer subsidies of 15 percent to Canadian lumber producers.

December 30

Canada and the United States resolve the bitter and highly political trade dispute by entering into the Softwood Lumber Memorandum of Understanding (MOU). Canada agrees to impose an export charge of 15 percent on softwood lumber exports to the United States in return for the U.S. industry withdrawing its countervailing duty petition and the U.S. government terminating the investigation.

1987-1991

The MOU is amended on several occasions to exempt the Atlantic Provinces from the Canadian export charge and to reduce the export charge for British Columbia and Quebec as a result of replacement measures implement by the provinces.

1991

September 3

The Government of Canada serves a Diplomatic Note on the Government of the United States, advising of Canada's intent to terminate the 1986 Softwood Lumber Memorandum of Understanding, effective October 4, 1991.

October 4

Canada terminates the Softwood Lumber Memorandum of Understanding.

The United States announces its intention to self-initiate the third countervailing duty investigation and to impose interim bonding requirement on imports of Canadian softwood lumber.