

Minister for  
International  
Trade



Ministre du  
Commerce  
extérieur

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CANADA REQUESTS PANEL REVIEW FOR PORK  
UNDER CHAPTER 19 OF THE CANADA-U.S. FREE TRADE  
AGREEMENT

International Trade Minister John C. Crosbie today announced that Canada has, for the first time, formally requested a panel review under Chapter 19 of the Canada-U.S. Free Trade Agreement. This follows the U.S. Department of Commerce's July 18 final determination of subsidy in the countervail action against Canadian imports of fresh, chilled or frozen pork.

The federal government has joined with the Canadian Meat Council, the Canadian Pork Council and the Government of Alberta in seeking this panel review.

A ruling by a panel under Chapter 19 of the Agreement is binding on both parties. Panels are made up of five members appointed by the two governments, and have 315 days to prepare a final decision.

"While this is not the first time a Chapter 19 panel has been requested, it is the first time the Government of Canada has taken an active role in such a request," Mr. Crosbie said. "The panel request we are making today confirms the federal government's determination to help the pork industry defend itself against the U.S. countervailing duty action."

The federal government has argued against the methodology used to determine the alleged subsidy on Canadian pork exports, as well as against the U.S. Department of Commerce view that the Canadian National Tripartite Hog Stabilization Program is countervailable.

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Canadian pork exports to the U.S. have been subject to a preliminary countervailing duty which was assessed at 7.7 cents per kilogram in May, then raised to eight cents per kilogram in July.

It is expected that the U.S. International Trade Commission will make a final ruling next week on whether Canadian imports of pork are harming the U.S. industry. Mr. Crosbie has said that if injury is found, he will initiate dispute settlement as to the GATT (General Agreement on Tariffs and Trade) consistency of the methodology used to determine the alleged subsidy.

Agriculture Minister Don Mazankowski reaffirmed that the federal government will use all avenues to defend Canada's trade interests.

"We will continue to work closely with the Canadian Pork Council, the Canadian Meat Council and the Government of Alberta to develop joint strategies that will ensure Canadian pork products are treated fairly in the U.S. market," Mr. Mazankowski said.

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