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WILSON WELCOMES THE ADOPTION OF THE GATT PANEL REPORT ON U.S. BEER PRACTICES

The Honourable Michael Wilson, Minister of Industry, Science and Technology and Minister for International Trade, today welcomed the adoption of the General Agreement on Tariffs and Trade (GATT) Panel Report on U.S. federal and state measures affecting beer, wine and cider imports from Canada.

"We are pleased that the GATT has upheld our complaint and adopted this report," Mr. Wilson said. "I have instructed my officials to press hard for early implementation of the panel's findings."

The report was considered today at the GATT Council Meeting and was adopted following the request by Canada.

Canada's successful GATT challenge dealt with some 60 measures, including discriminatory federal taxes and practices in 39 states that affect the distribution, taxation, listing, pricing, access to points of sale, and transportation of these products. The panel found that these measures discriminated against Canadian beer, wine and cider and provided an unfair advantage to U.S. products.

Mr. Wilson noted that there are significant implications for Canadian beer, wine and cider. The United States is the world's largest market for these products. Canadian exports of beer to the U.S. alone are worth about \$200 million per year and fully 10 per cent of all beer produced in Canada is exported to the United States. The United States also represents an important, and growing, market for exports of Canadian wine.

"Implementation of the panel's findings will give Canadian producers a greater ability to compete in the United States and should allow them to increase their share of the U.S. market," Mr. Wilson said.

"We shall meet with the U.S. as soon as possible to discuss the measures they will put into place to implement the GATT findings. We fully expect them to fulfil their international trading obligations and provide Canadian alcoholic beverages with equal access to the U.S. market," concluded the Minister.

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