



No. 140

June 13, 1989.

PANEL ESTABLISHED FOR WEST COAST SALMON AND HERRING

International Trade Minister John C. Crosbie today announced that Canada and the United States have agreed on the composition of a panel under Chapter 18 of the Free Trade Agreement to make recommendations on the dispute involving Canadian landing requirements for West Coast salmon and herring. U.S. Trade Representative Carla Hills instituted the dispute settlement proceedings in a May 23 letter to Minister Crosbie. Both countries will be making submissions to the five-person panel shortly and it will provide its recommendations by September 1.

Canada has appointed Dr. Waldo Johnson, a fisheries consultant and Frank Stone, an associate with the Institute for Research on Public Policy, to the panel. Dr. Johnson is a biologist and former Director General of the Department of Fisheries and Oceans for the Pacific Region. The United States appointments are Professor Robert Hudec of the University of Minnesota and Jim Branson, a former Executive Director of the U.S. North Pacific Fishery Management Council.

Canada and the United States agreed to name Professor Donald McRae, formerly a professor at the UBC Faculty of Law, and now dean of the Faculty of Common Law at the University of Ottawa to chair the panel.

In March 1988, the GATT Council adopted a panel report which found that Canada's prohibitions on the export of unprocessed British Columbia salmon and herring were inconsistent with international trade rules. At that time the government announced it would comply with the GATT decision and remove the GATT-inconsistent measures, but would put in place GATT-consistent measures to ensure that legitimate conservation and management objectives could continue to be met. As a result, after extensive consultations, regulations to implement landing requirements have been approved which require all British Columbia salmon and herring to be landed at provincially-licensed stations for sorting, counting and biological sampling.

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The Free Trade Agreement incorporates many GATT obligations of both parties and also provides that a dispute involving both GATT and FTA obligations may be referred to a bi-national panel established under the FTA dispute settlement mechanisms.

The panel will consider whether Canada's landing requirements for salmon and herring are compatible with Article XI of the General Agreement on Tariffs and Trade (GATT). The panel may further consider whether these landing requirements are measures relating to the conservation of exhaustible natural resources, an exception permitted by Article XX of the GATT.

Under the terms of the Canada-U.S. Free Trade Agreement, the panelists are neither affiliated with nor to take instructions from either party to the Agreement.

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