



news release

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GOVERNMENT WELCOMES LATEST PORK RULING

International Trade Minister John C. Crosbie and Agriculture Minister Don Mazankowski today welcomed the decision by the U.S. International Trade Commission (ITC) to reverse its finding that imports of Canadian pork threaten to injure the American industry.

This reversal is in compliance with a January 22, 1991, decision by a binational dispute settlement panel established under the Canada-U.S. Free Trade Agreement (FTA). The panel ruled that the ITC's finding of threat of injury was not supported by substantial evidence.

"The ITC's reversal of its original finding against the Canadian pork producers was only made possible because of the unique dispute settlement provisions of the FTA," said Mr. Crosbie. "The decision today demonstrates beyond any doubt the effect and value of those provisions, which ensure a fair, expeditious and binding review of countervailing duty determinations of the U.S. and Canada."

"This is a great victory for the Canadian pork industry," said Mr. Mazankowski. "The U.S. market is crucial to the economic well-being of the industry. More than 80 per cent of Canada's pork exports go to the U.S. market. All members of the industry are to be congratulated for the strong case presented to the panel."

In September 1989, the U.S. began collecting a countervailing duty of 8 cents per kilogram on imports of fresh, chilled and frozen pork from Canada. Some \$400 million worth of Canadian exports were affected. In October 1990, as a result of a separate FTA panel remand, the duty was reduced to 6.6 cents per kilogram. As a result of today's decision, the countervailing duty order will be revoked, the collection of further duties stopped, and Canadian exporters refunded about \$17 million in duties paid.

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