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## MINISTERS DISAPPOINTED WITH PORK RULING

International Trade Minister John C. Crosbie and Agriculture Minister Don Mazankowski today expressed their disappointment with the finding of the U.S. International Trade Commission (ITC) that imports of Canadian fresh, chilled and frozen pork threatened to injure the American pork industry.

The ruling is a result of an August 24, 1990, remand by a Canada-U.S. Free Trade Agreement (FTA) dispute-settlement panel. The panel sent the injury issue back to the ITC for reconsideration because the ITC's first arguments were not supported by evidence on the record.

The ITC sought new information on Canadian production and consumption of pork, production capacity and utilization of the Canadian pork packing industry, and Japanese imports of pork from Taiwan and Canada. The ITC's new finding was based, in part, on this new information.

The ITC's new finding may be subject to review by the panel at the request of the participants. Such a request must be made within 15 days. The panel then has 10 days to decide whether to review the decision as requested.

The Canadian government and industry now await the results of a separate remand to the U.S. Department of Commerce (DOC), which is reconsidering its subsidy ruling on Canadian pork imports, as ordered by another Chapter 19 dispute-settlement panel. The result of the subsidy remand is expected by November 27, 1990.

"A favourable outcome of the subsidy remand could result in a reduced amount of countervailing duties paid in this case by Canadian exporters," said Mr. Crosbie. "We commend the industry for its participation in the dispute settlement process under Chapter 19 of the FTA."

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"This ruling underlines the need for clearer rules governing subsidies and countervailing duties. We are pursuing this goal in the Uruguay Round of Multilateral Trade Negotiations," said Mr. Mazankowski.

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