



news release

Date **June 17, 1993**

No. 133

For release

MINISTERS RESPOND TO STEEL INDUSTRY CONCERNS

The Honourable Don Mazankowski, Deputy Prime Minister and Minister of Finance, and the Honourable Michael Wilson, Minister for Industry, Science and Technology and Minister for International Trade, announced today measures to respond to the Canadian steel industry's concerns about the impact of imports on the Canadian steel market.

The ministers announced the establishment of a government/industry Import Surveillance Committee, which will monitor closely the prices and levels of steel imports and their possible impact on the Canadian market.

The ministers also announced that the government will commission an independent study of the differences between U.S. and Canadian trade remedy laws in light of recent concerns expressed by the Canadian steel industry. The ministers indicated that this study will form part of a comprehensive review of Canada's trade remedy legislation contained in the Special Import Measures Act. The review will also take into account the results of the General Agreement on Tariffs and Trade multilateral trade negotiations.

The Canadian industry met with the two ministers on June 9 to express their concerns about the situation in the Canadian steel market, particularly in light of the recent findings by the Canadian International Trade Tribunal (CITT) on steel plate from the United States and on hot rolled steel from six countries, including the United States. The industry is concerned that the Canadian market is now exposed to a potential surge in dumped imports.

The Import Surveillance Committee will provide a mechanism for monitoring, in close consultation with industry, the potential for diversion into Canada of imports from offshore steel suppliers affected by the U.S. countervail and anti-dumping actions. The U.S. currently has investigations under way covering imports from 20 countries, including Canada. Final dumping and subsidy determinations are due on June 21.

"We will be watching this situation very carefully," said Minister Wilson. "We are prepared to act in the face of an injurious import surge."

Minister Mazankowski noted that the government has authority under the Customs Tariff to impose an immediate surtax where it determines that imports are causing or threatening serious injury to Canadian industry. "Although the CITT has found no threat of injury at this time, the Import Surveillance Committee will keep the situation under constant review," said Minister Mazankowski.

- 30 -

For further information, media representatives may contact:

Media Relations Office
External Affairs and International Trade Canada
(613) 995-1874

or

Tom Van Dusen
Press Secretary to the Minister of Finance
(613) 996-7861