



Minister for
International Trade

Ministre du
Commerce extérieur

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U.S. COUNTERVAILING DUTY INVESTIGATION OF IMPORTS OF
CANADIAN FRESH ATLANTIC GROUND FISH
U.S. INTERNATIONAL TRADE COMMISSION'S FINAL
DETERMINATION OF INJURY

The Minister for International Trade, James Kelleher, and the Minister of Fisheries and Oceans Tom Siddon, today expressed their concern and disappointment over the U.S. International Trade Commission's (USITC) final determination of "injury" on fresh whole groundfish. This ruling will result in the application of countervailing duties on Canadian exports of fresh Atlantic groundfish to the U.S. market. In 1985 total Canadian exports of fish to the U.S. amounted to around \$1 billion of which fresh groundfish accounted for about \$150 million (whole fish \$60 million; fillets \$90 million).

However, the Ministers were pleased that the Commission determined that Canadian exports of fresh groundfish fillets were not a cause of injury to the U.S. domestic industry and as a consequence fresh fillets will not be subject to countervailing duties.

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On April 29 the USITC announced its finding that subsidized imports have, or threaten to cause material injury to the U.S. domestic fish industry. The Commission arrived at this conclusion after due consideration of the many factors which have contributed to the financial situation facing the U.S. fishing industry. The Commissioners' decision represents the final outcome of a process which began in August 1985, when U.S. fishermen filed their petition seeking relief from the imports in question.

The decision means that the previously announced finding by the U.S. Department of Commerce, that various Canadian federal and provincial programs constitute subsidies, will be implemented through the application of U.S. countervailing duties on certain fresh whole groundfish. The duty rate has been set at 5.82 percent.

The Ministers indicated that their immediate priority and concern is the impact of this case on Canada's fishing industry. The government will review the situation with the industry and provincial governments concerned.