Government Gouvernement du Canada

news release

Date

December 12, 1989.

No. 304

For release

CANADA REQUESTS PANEL IN LOBSTER DISPUTE

International Trade Minister John C. Crosbie and Fisheries and Oceans Minister Tom Siddon today announced that Canada is formally challenging a new U.S. import restriction on lobsters, on the grounds that it violates the Canada-U.S. Free Trade Agreement (FTA).

Mr. Crosbie and Mr. Siddon explained that Canada is exercising its rights under the dispute settlement provisions of the FTA. They have requested that a binational panel under Chapter 18 be established and that it make an early ruling on the U.S. measure. The U.S. legislation effectively prohibits imports of live lobsters of the species Homarus americanus which are smaller than U.S. federal minimum size restrictions.

"Lobsters legally harvested in Canada should not be denied access to U.S. markets," said Mr. Siddon. "Canada cannot permit the interference with our sovereign right to conserve and manage lobster stocks," he continued.

"There is simply no justification on conservation grounds for the U.S. to prohibit imports of certain sizes of lobster from Canada, allegedly to enable the U.S. to enforce its own conservation regime for lobster stocks in its own waters," Mr. Crosbie said.

"Canada has an efficient, effective program for lobster conservation and management and our lobster harvests are witness to its success," said Mr. Siddon.

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The Ministers said that Canada opposes the U.S. legislation as being inconsistent with U.S. obligations under both the FTA and the General Agreement on Tariffs and Trade (GATT). They have established an industry-government consultative approach to assist in preparing for the FTA Panel.

"Both countries must find ways to manage our fisheries successfully by working within our FTA and GATT commitments," Mr. Crosbie said.

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For further information, please contact:

Paul Benoit Press Secretary Minister for International Trade (613) 992-7332