



communiqué

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TRADE DISPUTE OVER EEC BEEF EXPORTS TO CANADA SETTLED

Ottawa, June 6, 1985: The Minister for International Trade, the Honourable James Kelleher, announced today that an agreement has been formally signed with the European Economic Community on the restrictions to be applied to EEC shipments of beef and veal to Canada in 1985. As a result of this agreement, the Community has withdrawn its threat to retaliate against a range of Canadian agricultural exports in 1985, including natural honey, mustard flour and seed, tobacco, and wild blueberries.

The Government imposed import controls last December 21 for the calendar year 1985 under the authority of the Meat Import Act. This action was taken in response to a surge of beef imports in 1984, in particular subsidized meat from the EEC, and to the anticipated high and damaging level of such imports in 1985. Under the terms of the agreement reached with the European Economic Community, Canada will permit imports of up to 10,668 tonnes (23.5 million pounds) of EEC beef and veal in the calendar year 1985. This level is 55% below Canadian imports from that source in 1984, and as much as 70% below expected EEC sales in the current year.

To minimize the potential disruptive effect of these imports on the Canadian beef market, the agreement has provisions to ensure that shipments are made on an orderly basis and that EEC procedures for establishing the level of export subsidies will take into account Canadian prices for equivalent quality meat.

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"This agreement will safeguard the Canadian cattle industry from unfair and injurious import competition while ensuring that other Canadian agricultural producers and exporters will not suffer serious short and possible long-term damage from EEC retaliatory measures," the Minister noted.

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