



news release

Date February 22, 1990.
For release

No. 038

CANADA AND U.S. REACH AGREEMENT ON SALMON AND HERRING

TRADE DISPUTE

International Trade Minister John C. Crosbie and Fisheries and Oceans Minister Tom Siddon today announced that Canada and the U.S. have reached an agreement on a long-standing trade dispute over Pacific salmon and herring. The agreement, negotiated under the Canada-U.S. Free Trade Agreement (FTA), will fully protect Canada's ability to conserve and manage its stocks of these fish. (The full text of the agreement is attached.)

"The Federal Government has ensured that 100 per cent of the catch will still be available for inspection and biological sampling in order to ensure that our conservation and management objectives are met," Mr. Crosbie said.

"Through a system of at-sea landing stations, we will be able to administer the same biological sampling and inspection as is currently in place at shore-based stations," Mr. Siddon said.

An FTA Panel which reported on this issue last fall said that while Canada's landing requirement for B.C. salmon and herring is a valid conservation measure, not all of the catch needed to be subject to Canada's full conservation regime, provided that adequate statistical confidence could be maintained for management purposes.

The Panel ruled that, to be consistent with Canada's international trade obligations under Article XX of the General Agreement on Tariffs and Trade, Canada's landing requirement should be modified.

The report said: "In the Panel's view, one way that a landing requirement could be considered 'primarily aimed at' conservation, would be if provisions were made to exempt from landing that portion of the catch whose exportation without landing would not impede the data collection process."

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Under the settlement, Canada will require that all salmon and herring be brought to a registered landing station with up to 20 per cent of the allowable catch being made available for export by sea in 1990. In 1991 through 1993, up to 25 per cent of the catch will be accessible through at-sea landing stations, after inspection. The agreement will be reviewed in the fourth year, with the assistance of technical and industry advisors, in light of experience and prevailing conditions.

The agreement also contains provisions with respect to roe herring. The settlement constitutes a bi-national agreement as required under Canada's Export and Import Permits Act. Under this Act, Canada will control the export of roe herring to all destinations. However, exports will be permitted to the United States if processing or consumption is certified to take place there.

"This will help ensure that the herring roe extraction activity is maintained in Canada," Mr. Crosbie said.

"B.C. fishermen will be the first to benefit from this agreement. The agreement does not in any way impair the powers of the Minister of Fisheries and Oceans to manage B.C. salmon and herring resources," Mr. Siddon said.

The Department of Fisheries and Oceans is now preparing the implementation plan.

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Decision of the Canada-U.S. Trade Commission
on the Elements of an Agreement in respect of the
matter of West Coast Salmon and Herring

The Commission having received the Final Report of the Panel on Salmon and Herring on October 16, 1989, and having considered the report together with other aspects concerning these fisheries in accordance with Article 1807.8 of the FTA, agrees on the following resolution of the dispute:

1. a) Canada will retain its present landing requirement for salmon except that 20% of the total allowable catch of British Columbia salmon will be exempted from the requirement that such salmon be landed in British Columbia during 1990, and that 25% will be exempted during each of 1991, 1992, and 1993. These percentages will be made available to U.S. buyers for direct sea exports in each of the three British Columbia fisheries, south, central and north on the basis of an aggregate of the total allowable catch in each of those three areas.
- b) The quantities of salmon made available to U.S. buyers for direct sea exports in any year in each of the northern, central and southern regions would not be less than the amount of unprocessed U.S. salmon purchased for direct sea export to Canada in a previous representative period.
2. a) Canada will retain its present landing requirement for herring except that 20% of the total allowable catch of British Columbia herring will be exempted from the requirement that such herring be landed in British Columbia during 1990, and that 25% will be exempted during each of 1991, 1992, and 1993. These percentages will be made available to U.S. buyers for direct sea exports. These percentages will be made available in each of the three British Columbia fisheries, south, central and north, on the basis of an aggregate of the total allowable catch in each of those three areas.
- b) The quantities of herring made available to U.S. buyers for direct sea exports in any year in each of the northern, central and southern regions will not be less than the amount of unprocessed U.S. herring purchased for direct sea export to Canada in a previous representative period.
- c) The Commission further agrees that, notwithstanding the provisions of paragraphs 2) a) and b), above, Canada may institute a system of export licences under its Export and Import

Permits Act to control the exports of unprocessed roe herring. It is agreed that export permits will be made available to exporters to the United States of unprocessed Pacific roe herring on condition that they furnish certification from United States consignees that such herring will be:

- processed in the United States to the same degree as it must be processed in Canada for export to other destinations, or
- actually consumed in the United States.

3. The salmon and herring exempted from landing in British Columbia will be subject to verification and sampling aboard Canadian tender vessels licensed and equipped for direct exports, in accordance with Annex A.

4. The principles described above will be elaborated and administered in the least trade burdensome manner possible. The details of these principles will be elaborated by March 1, 1990.

5. After March 1, 1993, the Commission, using the procedures contemplated by Article 1805(2) will review this decision, with the assistance of technical and industry advisors, in light of the experience then garnered and the conditions prevailing at that time.

6. This resolution of the dispute may be extended by consent of both Parties and may be terminated by either party upon six months' notice. In the event of termination, both parties may assert any of the rights previously available to them.

John C. Crosbie
Minister for International Trade

Carla A. Hills
United States Trade
Representative

Annex A

In order for roe herring and salmon caught in British Columbia waters to be transported directly from the fishing grounds to the United States, the following conditions would have to be met:

- only licensed Canadian tender vessels, equipped as "sea-based landing stations," would be eligible to transport roe herring and salmon directly from the fishing grounds to the United States;
- in order to qualify as a "sea-based landing station" a tender vessel would be required to maintain on board: (1) adequate facilities for DFO inspectors to supervise counting, sorting and weighing and to permit on-board biological sampling; and (2) reasonable accommodations for DFO inspectors;
- a sufficient number of Canadian inspectors have to be on board of each buying station at all times that the station is in operation;
- all fish brought on board the buying station would be counted, weighed, sorted and made available for biological sampling by a DFO inspector; burdens placed on sea-based landing stations and station operators (for example, record keeping and reporting, and licensing fees) would be no greater than those imposed upon shore-based landing stations;
- all information relating to the catch would be recorded and given to the inspector(s) at the time of completion of the activity;
- the inspector(s) would determine if the fish were to be biologically sampled in accordance with the sampling plans developed for that fishery; there will be non-discrimination between sampling plans for sea-based landing stations and shore-based landing stations;
- the expense of such on-board facilities and accommodations would be borne by landing station operators (wage, transportation, and other costs associated with the inspectors' activities would be recovered on the same basis, if any, as applies to shore-based landing stations). Any cost recovery system shall be instituted only after consultation between the Parties and shall not represent an indirect protection to domestic processing.