

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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ARTICLE XIX - ACTION BY CANADA

Fresh, Chilled and Frozen Beef and Veal

The following communication, dated 21 December 1984, has been received from the Permanent Mission of Canada.

The Government of Canada wishes to advise the CONTRACTING PARTIES of its intention to restrict the quantity of beef and veal in fresh, chilled and frozen form that will be permitted entry into Canada during 1985. This measure, to take effect on 1 January 1985, is being taken pursuant to Article XIX of the GATT following a decision by the Government to invoke the Meat Import Act in 1985. The Canadian authorities consider that beef and veal is being imported into Canada in such increased quantities and under such conditions as to cause and threaten serious injury to the producers in Canada. This action was prompted by a surge of imports in 1984 and an anticipated high level of imports in 1985. The rapid increase in imports of beef has had a serious depressing effect on slaughter cow prices in Canada which has reduced significantly returns to Canadian cattle producers. This measure is intended to safeguard Canadian industry from further damaging import competition.

A global import quota will be established for calendar year 1985 at 146.5 million pounds (66.5 million Kg.). This quota level is equivalent to the level of the 1985 minimum global access commitment agreed to by Canada during the Tokyo Round and bound in the GATT. The global import quota will be allocated to supplying countries on the basis of their share of imports into Canada during the period of 1979-1983.

Annual Canadian imports of beef and veal averaged 122.5 million pounds (55.6 million Kg.) between 1979-1983.

1979	-	124.5 million pounds	(56.5 million Kg.)
1980	-	116.8 million pounds	(53.0 million Kg.)
1981	-	117.9 million pounds	(53.5 million Kg.)
1982	-	125.2 million pounds	(56.8 million Kg.)
1983	-	127.9 million pounds	(58.0 million Kg.)

Imports in 1984 to the end of November totalled 155.4 million pounds and are expected to reach 168 million pounds (76.2 million Kg.) by the end of the year. Imports in 1985, if left unrestricted, were expected to reach or exceed 1984 levels.

It is the hope of the Canadian Government that circumstances will change during the course of 1985 which would enable the Government to work out an arrangement which would permit the suspension of controls while safeguarding Canadian industry from damaging import competition.

The Government of Canada has initiated consultations in accordance with the requirements of Article XIX of the GATT with those CONTRACTING PARTIES having a substantial interest as exporters of beef and veal covered by the measure.