

GENERAL AGREEMENT ON

RESTRICTED

TARIFFS AND TRADE

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JAPAN - TARIFF RATE APPLIED BY JAPAN TO IMPORTS OF SPRUCE-PINE-FIR DIMENSION LUMBER

Recourse to Article XXIII:1 by Canada

The following communication, dated 6 November 1987, has been received from the Permanent Mission of Canada.

I have been instructed by my authorities to inform you that on August 6, 1987 the Government of Canada requested consultations with Japan under Article XXIII:1 of the General Agreement concerning the tariff rate applied by Japan to imports of spruce-pine-fir dimension lumber. These consultations were held in Tokyo on October 8-9, 1987.

The Government of Canada considers that the 8% tariff applied to imports of spruce-pine-fir (SPF) dimension lumber (Customs Tariff Number 4413:3) is not in conformity with the provision of Article I:1 of the GATT concerning the equal treatment of like products. It is our view that dimension lumber made from SPF and dimension lumber made from other species of wood are like products under the meaning of Article I:1. The latter enter Japan with zero duty.

The Government of Canada further considers that the higher tariff applied to SPF dimension lumber acts to nullify and impair benefits accruing to Canada under the GATT.