

Ottawa, Thursday, January 15, 1992

Expiry No.: LE-91-003

IN THE MATTER OF a request made under subsection 76(2) of the *Special Import Measures Act* for a review of the finding of material injury made by the Canadian Import Tribunal on March 6, 1987, in Inquiry No. CIT-7-86, respecting:

SUBSIDIZED GRAIN CORN IN ALL FORMS, EXCLUDING SEED CORN, SWEET CORN AND POPPING CORN, ORIGINATING IN OR EXPORTED FROM THE UNITED STATES OF AMERICA

ORDER

On July 5, 1991, the Canadian International Trade Tribunal issued Notice of Expiry No. LE-91-003, requesting views on whether the aforementioned finding should be reviewed. Having considered representations made in this case, the Tribunal has decided, pursuant to subsection 76(3) of the *Special Import Measures Act*, that a review is not warranted at this time.

John C. Coleman
John C. Coleman
Presiding Member

Kathleen E. Macmillan Kathleen E. Macmillan Member

Robert C. Coates, Q.C.
Robert C. Coates, Q.C.
Member

Robert J. Martin
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Secretary

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SUBSIDIZED GRAIN CORN IN ALL FORMS, EXCLUDING SEED CORN, SWEET CORN AND POPPING CORN, ORIGINATING IN OR EXPORTED FROM THE UNITED STATES OF AMERICA

TRIBUNAL: JOHN C. COLEMAN, Presiding Member

KATHLEEN E. MACMILLAN, Member ROBERT C. COTES, Q.C., Member

STATEMENT OF REASONS

BACKGROUND

The Canadian International Trade Tribunal (the Tribunal) in Notice of Expiry No. LE-91-003 dated July 5, 1991, gave notice that the finding of material injury made by the Canadian Import Tribunal on March 6, 1987, in Inquiry No. CIT-7-86, respecting subsidized grain corn in all forms, excluding seed corn, sweet corn and popping corn, originating in or exported from the United States of America, was scheduled to expire on March 5, 1992. Interested parties requesting or opposing the initiation of a review of the said finding were invited to file submissions addressing all relevant factors, including any changes in the subsidy programs offered by the United States affecting exports of the subject goods, the likelihood of the resumption of subsidized imports if the finding were allowed to expire, the likely volumes and prices of subsidized imports if there were a resumption of such imports, the domestic industry's performance since the finding, the likelihood of material injury to the domestic industry if the finding were allowed to expire, other developments affecting, or likely to affect, the performance of the domestic industry and any other changes in circumstances, domestically or internationally.

The Tribunal received three separate submissions from the original complainants, namely, associations representing corn growers in Ontario, Manitoba and Quebec. In addition, submissions were received from a variety of agricultural and industrial corn users, from federal and provincial levels of government in Canada, as well as from a state corn growers association in the United States. In all, 13 submissions were received, none of which requested a review of the finding.

However, a number of submissions addressed an additional issue which was not raised by the notice of expiry, namely, whether the finding should expire early. More particularly, the submissions from a number of agricultural and industrial corn users

requested the expiry of the finding prior to March 5, 1992. On the corn growers' side, the Ontario Corn Producers' Association indicated it had no objection to early expiry. However, the submissions from the Manitoba and Quebec corn producers' associations indicated their firm opposition to having the finding expire prior to the scheduled date.

DECISION

The Tribunal notes that, under section 76 of the *Special Import Measures Act*, existing findings cannot be extended beyond five years, nor can they expire before then, without a review. Moreover, in neither case can a review be held unless the Tribunal is satisfied that a review is warranted. The question of whether to hold a review to consider extending the existing finding as well as the question of whether to hold a review on the matter of early expiry are both before the Tribunal in this case.

On the question of extending the finding, none of the interested parties requested a review. Given this, and in the absence of any other considerations favouring a review, the Tribunal does not consider that a review is warranted.

As to the question of early expiry, the Tribunal has been presented with no evidence to suggest that circumstances have changed in any material way which may affect the original injury finding. In the absence of any significantly changed circumstances, the Tribunal is not satisfied that a review to consider this matter is warranted, also keeping in mind the opposition to early expiry by two of the initial complainants.

The Tribunal observes that, in the absence of a review, the countervailing duty on imports of subsidized grain corn from the United States will expire on March 5, 1992.

John C. Coleman

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Presiding Member

Kathleen E. Macmillan

Kathleen E. Macmillan

Member

Robert C. Coates, Q.C.

Robert C. Coates, Q.C.

Member