

LEI News Letter

March 2006

Certain Cross-linked Polyethylene Tubing

On March 3, 2006 the Canada Border Services Agency (CBSA) announced it had initiated an investigation under the Special Import Measures Act (SIMA) respecting the alleged injurious dumping of single or multilayer cross-linked polyethylene tubing in nominal tubing sizes up to and including 1 inch or the metric equivalent, excluding cross-linked polyethylene tubing with an oxygen barrier layer, originating in or exported from the United States of America. The investigation follows a complaint filed by Vanguard Piping Systems (Canada) Inc. of Mississauga, Ontario.

Additional information about this investigation will be available in a Statement of Reasons that will be available within 15 days on the CBSA's website at www.cbsa-asfc.gc.ca/sima.

Garlic – Anti-dumping Duty

On January 25, 2006 the Canadian International Trade Tribunal (CITT) determined, pursuant to subsection 76.03 of the Special Import Measures Act (SIMA), that the expiry of:

- its finding made on May 2, 2001 in inquiry No. NQ-2000-06, concerning garlic, fresh or frozen, originating in or exported from the People's Republic of China (China) and Vietnam, excluding fresh garlic subject to the finding made in Inquiry No. NQ-96-002; and
- its order made on March 20, 2002, in Expiry Review No. RR-2001-001, continuing without amendment, its finding made on March 21, 1997, in Inquiry No. NQ-96-002, concerning fresh garlic originating in or exported from China, imported into Canada from July 1 to December 31, inclusive of each calendar year

are unlikely to result in injury. The CITT will issue orders, with reasons, rescinding the finding and order when they expire on May 1, 2006 and March 19, 2007 respectively.

As a result, the anti-dumping duty payable upon the importation of the subject goods will no longer be applicable as of the dates of expiry, provided that the CITT's determination is not appealed, or that a new investigation is initiated. As there are two cases involved with respect to the subject goods, the Canada Border Services Agency has provided the following information to clarify the impact of the CITT's determination on importations of the subject goods and the applicable anti-dumping duty.

Present date to May 1, 2006

Anti-dumping duty is payable on importations of fresh and frozen garlic from China and Vietnam,

May 1, 2006

Importations of frozen garlic from China and Vietnam and fresh garlic from Vietnam are no longer subject to anti-dumping duty,

May 1, 2006 – July 1, 2006

Importations of fresh garlic from China are not subject to anti-dumping duty,

July 1, 2006 – December 31, 2006

Anti-dumping duty of C\$1.82/ kg is payable on importations of fresh garlic from China,

After December 31, 2006

Importations of fresh garlic from China are no longer subject to anti-dumping duty.

Unmanufactured Bright Virginia Flue-cured Tobacco

On October 17, 2005, pursuant to subsection 23(1) of the Canadian International Trade Tribunal Act (CITT Act), the Ontario Flue-Cured Tobacco Growers Marketing Board (the Board) submitted a complaint requesting that the Canadian International Trade Tribunal (CITT) initiate a global safeguard inquiry into the importation of unmanufactured bright Virginia flue-cured tobacco, whether stemmed or stripped, or partly or wholly stemmed/ stripped, for use in the manufacture of cigarettes, tobacco sticks and other tobacco products.

On November 29, 2005 the CITT determined, pursuant to subsection 25(1) of the CITT Act, that the complaint was properly documented. On December 29, 2005 the Tribunal decided that the complaint satisfied the relevant conditions listed in subsection 26(1) of the CITT Act. Therefore, the CITT commenced an inquiry into the complaint.

On February 14, 2006, the Board notified the CITT that its members no longer wished to participate in the inquiry and would not submit evidence to support their complaint. In light of this development, the CITT has terminated its inquiry into the complaint.

Leather Footwear – Notice of Expiry of Finding

The Canadian International Trade Tribunal (CITT) has given notice, pursuant to subsection 76.03(2) of the Special Import Measures Act (SIMA), that its finding made on December 27, 2001, in Inquiry No. NQ-2001-003, concerning the dumping of leather footwear with metal toe caps, originating in or exported from the People's Republic of China, excluding waterproof footwear subject to the finding made by the CITT in Inquiry No. NQ-2000-004, is scheduled to expire on Dec. 26, 2006. Under SIMA, findings of injury or threat of injury and the associated special protection in the form of anti-dumping or countervailing duties expire five years from the date of the last order or finding, unless an expiry review has been initiated before that date. An expiry review will not be initiated unless the CITT decides that there is sufficient information to indicate that it is warranted.

Persons or governments requesting or opposing the initiation of an expiry review of the said finding should file 20 copies of written public submissions containing relevant information, opinions and arguments, with the Secretary of the CITT not later than March 17, 2006. Persons or governments should endeavour to base their submissions exclusively on public information; however, confidential information relevant to the issues before the CITT may be filed, if necessary, along with a comprehensive public summary or edited version thereof.

Submissions should address all relevant factors, including:

- the likelihood of continued or resumed dumping of the goods;
- the likely volume and price ranges of dumped imports if dumping were to continue or resume;
- the domestic industry's recent performance, including trends in production, sales, market share and profits;
- the likelihood of injury to the domestic industry if the finding were allowed to expire, having regard to the anticipated effects of a continuation or resumption of dumped imports on the industry's future performance;
- any other developments affecting, or likely to affect, the performance of the domestic industry;
- changes in circumstances, domestically or internationally, including changes in the supply of or demand for the goods, and changes in trends in, and sources of, imports into Canada; and
- any other matter that is relevant.

The CITT will issue a decision on April 12, 2006, on whether an expiry review is warranted based on the submissions and representations received and the responses to them.

- If there is no request for a review, the CITT will not initiate a review and the finding will expire on its expiry date.
- If the CITT decides that a review is not warranted, the finding will expire on its expiry date. The CITT will issue its reasons not later than 15 days after its decision.
- If the CITT decides to initiate a review, it will issue a notice of expiry review.

Submissions, correspondence and requests for information regarding this notice should be addressed to :

The Secretary
Canadian International Trade Tribunal
Standard Life Centre
333 Laurier Avenue West
15th Floor
Ottawa, On K1A 0G7

Stainless Steel Wire – Anti-dumping Duty

On Feb. 27, 2006 the Canada Border Services Agency initiated a review of the normal values, export prices and amounts of subsidy (where applicable) of certain stainless steel wire originating in air exported from India, the Republic of Korea , Switzerland and the USA.

Avian Influenza – France

The following is from the Canadian Food Inspection Agency (CFIA).

Consistent with its commitment to the protection of animal and public health, the CFIA has implemented import restrictions following the confirmation of highly pathogenic H5N1 avian influenza on turkey farm in France.

The importation of live birds and bird products from France has been suspended, with the exception of commercially sterile processed products. The CFIA prohibits imports of poultry and poultry products from countries not recognized as free of highly pathogenic avian influenza in the commercial poultry sector. Commercially sterile processed products are permitted.

Canada does not permit the importation of pet birds from countries found positive for the highly pathogenic Asian strain of H5N1 influenza. These actions are part of a broader strategy of vigilance to reduce the potential for highly pathogenic avian influenza to enter Canada. The CFIA has also traced all recent shipments of birds and bird products imported from France. It has been confirmed that there have been no recent imports to Canada from the Department of Ain, France, where the H5N1 was detected on Feb. 23, 2006 nor any areas close to it.

Any hatching eggs or birds from France are required to undergo a 30 day quarantine period in Canada to monitor for poultry diseases. This is a standard practice for most animal imports that has been in place for decades. There are eight farms in Quebec that have recently imported from France and these quarantines are in place.

As an extra precaution, the CFIA is monitoring the health status of these birds on a daily basis and they are being tested. Preliminary results to date are all negative. There has been no indication of illness in these birds to date.

The CFIA continues to actively monitor and analyze the progression of avian influenza occurrences at the international level and to take actions consistent with recommendations of the World Organization of Animal Health.

General Freight Rate Increase

As indicated in our last news letter, the member shipping lines of the Canadian Transpacific Stabilization Agreement (CTSA) have confirmed a general rate increase (GRI) from all Far East and India Subcontinent origins effective April 1, 2006, as follows:

<u>Canada West Coast</u>	<u>Inland Points Intermodal (IPI)</u> <u>Mini Land Bridge (MLB)</u>
US\$160.00 per 20' Container	US\$320.00 per 20' Container
US\$200.00 per 40' Container	US\$400.00 per 40' Container
US\$225.00 per 40' HC Container	US\$450.00 per 40' HC Container
US\$255.00 per 45' Container	US\$505.00 per 45' Container
US\$ 5.00 per CBM/ \$10.00 per WT	US\$ 10.00 per CBM/ \$20.00 per WT

Effective July 1, 2006 the GRI for all West Coast and Inland destinations will be as follow:

- US\$320.00 per 20' Container
- US\$400.00 per 40' Container
- US\$450.00 per 40' HC Container
- US\$505.00 per 45' Container
- US\$ 10.00 per CBM/ \$20.00 per WT.

Should you have any question on any issue contained in this news letter, please contact your nearest LEI office.

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