

Refer Boeing to the WTO, don't make empty threats – Barry Gardiner

Barry Gardiner MP, Labour's Shadow International Trade Secretary, speaking after the UK threatened retaliatory action against Boeing because the USA Department of Commerce recommended a 219.63 per cent tariff on the Bombardier C Series aircraft, said:

"Theresa

May tried to avert this dispute when she spoke with President Trump weeks ago.

Clearly she was less persuasive than she led us to believe. But her ineffective pleas have now been compounded by the Defence Secretary's bumbling aggression.

The correct way to resolve this trade dispute is not to threaten Boeing that future 'significant defence contracts' are in jeopardy, it is to use the rules that are already in place in the global trading system through the WTO.

"The

UK and Canada must urgently sit down with Boeing to find a resolution to this row which threatens so many jobs.

"Instead

of putting ourselves in the wrong by threatening to victimise Boeing – an empty

threat given that thousands of jobs in the UK rely on the aerospace sector – the UK as one of the founders of the World Trade Organisation, should refer the case to the WTO dispute settlement procedure.

"For

subsidies to be actionable under WTO Rules they must be shown to cause material

harm. This is why the American case has no merit. Boeing ceased to manufacture planes for the single aisle market served by the C Series long ago and they did

not even compete for the Delta contract therefore they can show no material harm arose to their company.

"This

is the correct, grown-up way for a country to behave under a rules based trading system, not to issue wild threats that would themselves violate WTO Rules. That the Trade Secretary either does not know or has not bothered to advise his cabinet colleagues of this speaks volumes about his own competence."

Ends