

# Belfast Telegraph

## **‘Backchannel’ between UK and Boeing over trade row**

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October 10 2017

There is now a backchannel between the UK Government and plane-maker Boeing in a bid to solve a transatlantic trade row putting thousands of Northern Ireland jobs at risk, it is understood. Bombardier has been slapped with a 300% duty from the US government, after complaints from rival Boeing that it was being subsidised and is selling off its C Series planes at a cut price, or below cost.

And as a result of that, Boeing claims it was damaged as a result of Bombardier securing a multi-billion pound order for up to 125 CS100 jets to US carrier Delta.

But according to one analyst, the International Trade Commission (ITC) — the US body which will give the final ruling in February — “may have reason to doubt whether Boeing makes competing product or has suffered injury”.

That’s according to Simon Lester, a trade policy analyst at Cato Institute, who was speaking to The Times.

It’s understood that a backchannel is now in place between the UK Government and Boeing directly, in a bid to negotiate some form of settlement or agreement between the two aerospace giants.

Meanwhile, Labour Shadow Northern Ireland Secretary Owen Smith said there “has been very little” done by Prime Minister Theresa May’s government to tackle the issue.

Writing in The Times he said: “Bombardier workers ... cannot be collateral damage in a trade war. So in the months between this initial ruling by the commerce department and the final arbitration in February by the International Trade Commission ... we need our government to stand up to the bullies and put Belfast, and UK manufacturing, first.”

Bombardier’s sales to the US were first handed down an initial 220% tariff by the US Department of Commerce. Then, last week a further preliminary ruling added another 80% tax to sales.

But Martin Craigs, chairman of Aerospace Forum Asia and a former Shorts/Bombardier worker, said “even if there was a 30% tax” it could kill the deal with Delta.

“The ITC is still a US government agency. Even if there was a 30% tax, that would also kill the deal,” he said.

“Sadly, it is hard to imagine the ITC, as a federal agency, under the Trump administration, with the ‘America first’ philosophy, will directly reverse this (decision).”

Meanwhile, DUP MP Gavin Robinson has said it is time for the UK Government to “up the ante” over the ongoing trade dispute.