

Canadian Federation of Agriculture and the Saskatchewan Wheat Pool refused to endorse the trade agreement until Ottawa addressed specific concerns and said they were not impressed by the statement issued by Agriculture Minister John Wise.

The Canadian Agriculture Policy Alliance (CAPA) issued a statement calling the CFA position into question. CAPA, an informal alliance representing grain, oilseed, hog and beef cattle organizations from across the country, stated that "Contrary to the view expressed by the Canadian Federation of Agriculture, it is clear that the large majority of farmers would welcome freer access to the large and prosperous US market" (Canadian Agricultural Policy Alliance *News Release*, August 24). The informal alliance had been organized several years ago to counter what it considered the protectionist tendency of other farm groups influenced by the supply management philosophy. Bob Porter (PC, Medicine Hat), told the Commons that CAPA strongly endorsed the trade agreement with the United States. He added, "This group, which represents farmers all across Canada, has expressed strong support for the free trade agreement.... The United States is already Canada's largest market for farm commodities, and it is becoming more important as other countries reduce their purchases" (*Hansard*, August 26).

The US complained against Canada's move earlier this year for inclusion of ice cream, yogurt and other dairy products on the Import Control List. The Halifax *Chronicle-Herald* reported on August 27 that Richard Doyle, Executive Director of the Dairy Farmers of Canada, had said in a telephone interview that the complaint was only proposed for discussion, the first step in settling a trade dispute between two countries. If discussion failed to resolve the dispute, it would go to a panel of the General Agreement on Tariffs and Trade (GATT). Kempton Matte, President of the National Dairy Council in Toronto said "These things could have happened anyway, but they were spurred on by the Free Trade Agreement." But Ontario's Agriculture Minister Jack Riddell said he had little faith in Ottawa's ability to protect existing marketing boards once the Free Trade Agreement was signed. He added there was no assurance that products added to the import list would remain on that list in future (*Chronicle-Herald*, August 27). The leading farmers' association in Quebec with 47,000 members — Union des producteurs agricoles (UPA) — stated that about 90 percent of its members opposed the Free Trade Agreement. Jean-Yves Duthel, the UPA's communications adviser was quoted as saying that "Free trade means that, eventually, Canada will no longer have its own agricultural policy. There will be a single type of agriculture in all of North America and Canada will have to conform to it." He added that farmers were particularly concerned about sections in the deal that specifically named egg, poultry and turkey marketing boards and were apprehensive about these becoming targets of the free trade deal (*Globe and Mail*, August 30). Quebec's Agriculture Minister Michel Pagé told reporters that free trade with the United States would open up a market of seventy million people for Quebec food products (*Globe and Mail*, August 26, 1988).

Grape Growers

Ontario and the federal government announced a \$100 million federal-provincial program "to improve the international competitiveness of the Ontario grape and wine industry" (Canada/Ontario *News Release*, August 30). Apart from the anticipated adverse impact of the Free Trade Agreement on the wine industry, a recent GATT ruling had obliged Canada to take measures to provide more equitable access for foreign wines. The Ontario Grape Growers's Marketing Board, representing 900 growers, had demanded \$156 million to compensate for losses expected under free trade (*Toronto Star*, August 9). Meanwhile the federal government and the province of British Columbia announced details of a 6-year \$28 million grape and wine adjustment assistance program. BC Grape Marketing Board Chairman Alan Brock said the agreement allowed growers to adjust to the accelerated market changes they faced. Growers leaving the industry were to receive needed financial assistance, while growers with premium grape varieties would be able to adjust to a new, more competitive environment (Canada/British Columbia, *News Release*, September 29).

John MacKillop, Executive Secretary of the federal Advisory Council on Adjustment set up to advise the government on adjustment to the FTA, said the support package for the Ontario grape and wine industry should not be viewed as a precedent for other industries hurt by free trade. In an interview reported in the *Financial Post* on September 2, Mr. MacKillop said "It stands alone because its problems would have occurred whether there was free trade or not," referring to increased competitive pressures on the industry from imported wines.

Culture

The *Edmonton Journal* reported on September 21 that a US document entitled Statement of Administrative Action unequivocally confirmed Washington's continued opposition to Article 2005 of the Free Trade Agreement which stated that "cultural industries are exempt from the provisions of the agreement." Canada's Communications Department played down the importance of the US statement. They suggested it was simply a US interpretation of certain clauses of the Free Trade Agreement, intended as a legal guide should future contentious issues ever go to court in the US, and Canada was not bound by it.

Energy

Confusion continued to characterize the Free Trade Agreement debate and questions relating to the pricing and supply of energy were often raised. In a letter to the editor published in the *Ottawa Citizen* on September 14, Minister for International Trade John Crosbie pointed out that Canadians were under no obligation to sell energy resources or any other product for that matter to the US or to provide any specific level of supply. The requirement to provide "access" to a defined proportion of supply applied only in very limited circumstances where a government imposed export restrictions for reasons of conservation, short supply or domestic price stabilization. There was nothing in the FTA, wrote Mr. Crosbie, that prevented