

years is perfectly legitimate. Not all of its industry, but some of it, made a certain appeal to their Government to remedy something which they felt was unjust, using their own legislation.

● (1530)

I happen to sit on the Priorities and Planning Subcommittee on Trade which gives a mandate to our negotiators. I can tell the Hon. Member, as has been stated time and time again in this House, that something which will definitely be part of that, and must be, is a better way in which two large trading partners can resolve problems which they inevitably will have. What mechanism it will be, what form it will take, whether it is a commission, is another issue. We just hope that during the next 16 months or 17 months we can definitely negotiate a better deal and come up with better trade laws than we now have.

Mr. Althouse: Mr. Speaker, the situation which faced the Government when it initiated these discussions was that by the end of next year, 80 per cent of our products moving back and forth between our two countries would be absolutely free and clear of tariffs. The main stumbling block in trade between our two countries has been the building up of excuses for restrictions of trade by way of various non-tariff barriers.

The main irritant which exists between our two countries seems to be the process by which we solve these irritants. The ITC has accepted the lightning, so to speak, from both sides. Why did the Government not begin with that main irritant instead of throwing everything on the table for bargaining, leaving us with the possibility of losing some of the non-tariff commodities which are now traded between us? Why did the Government not focus on that particular problem, a dispute-solving mechanism, and then worry about reducing tariffs after that was taken care of?

Mr. Merrithew: Certainly, Mr. Speaker, it is fondly to be hoped that out of this will come a better mechanism. Unfortunately, when the two countries decided to take that historic step of deciding to try to negotiate a freer trade arrangement, a better trading arrangement, from that point on one could not expect a sovereign nation such as the United States of America to immediately drop all of its existing strategy. Its industry and political system would not put up with that, nor would ours.

We have trade remedy legislation. Something which will come out of that, undoubtedly, and must do so, is a better system. In the meantime, just because two countries are attempting this kind of initiative, it does not mean it will be successful even in the final analysis. We know one thing which will come out of it and that is that during the course of the next 16 months or 18 months, or whatever, as we work toward that better arrangement, we will be better able to deal with the kinds of difficulties we have been faced with and, I suspect, always will be.

Supply

Mr. Les Benjamin (Regina West): Mr. Speaker, I would like to dwell on two matters which have to do with paragraphs Nos. 3, 5 and 7 of the motion moved by my colleague, the Hon. Member for Essex-Windsor (Mr. Langdon). Paragraph 3, much of which is interconnected with some of the other paragraphs, condemns the Government for its failure to eliminate the damaging trade effects of the U.S. Farm Bill which hurts so many Canadian farmers. The tragedy is that this Government, like previous Governments, has not learned any lessons from history, and I am speaking about recent history, that is, since the Second World War. When one examines the United States constitutional framework and the methods employed under its constitution, one realizes there is an excellent reason for the long history of the United States countervailing or even undermining and destroying international trade agreements. It has done that on many, many occasions, not only to Canada but to a number of other countries.

The U.S. Farm Bill means, of course, that while farmers in the United States receive \$6 to \$6.50 a bushel in Canadian dollars, Canadian farmers are receiving a maximum price of about \$3.15 for No. 1 red spring wheat in Canadian dollars. The Americans are peddling their grain at around \$3 a bushel for top grade grain to importers around the world, some of whom have been longstanding and faithful Canadian customers, and our Government expects the farmers of Canada to compete with the treasury of the United States and that of the European Economic Community.

If there was ever a time when the nation as a whole should pitch in and help in protecting our agricultural industry, it is now. The nation as a whole should share that through our national Government. When I speak about recent history, Mr. Speaker, I speak of the last 40 years during and following the Second World War, when there was an International Wheat Agreement by which the exporting and importing countries agreed on minimum and maximum prices year by year. It was working marvellously until the United States started undermining, undercutting and destroying the International Wheat Agreement. Then came the International Grains Arrangement as a follow-up. It was not as good as the IWA but it was better than nothing. Who wrecked that? I give you one guess, Mr. Speaker.

Year after year, since the Second World War, this has happened. It is not just in congressional election years or in presidential election times. Every year there has been countervail or we have had the borders slammed shut on us with respect to commodity after commodity, and Canada—and this is what is shameful about it—with its supine and servile attitude, continually crawls on bended knee to the United States and allows it to tell us what we should do with Canadian law or provincial rights, which is interference in Canadian sovereignty.

The present Government is in the process, I submit, of perverting the whole principle of what a deficiency payment is. It is not an acreage payment. It is not a payment on an amount