

"Canada's high-quality standards for wheat will be maintained under the agreement," said Mr. Wilson. "Any imported American wheat will be kept separate from Canadian wheat destined for export under the provisions of the Canada Grain Act."

Since the implementation of the FTA, Canada has had secure access to the U.S. market. Because of our high-quality standards, Canada exports substantial amounts of wheat to the U.S. Canadian wheat exports to the U.S. totalled more than 400,000 tonnes in the first seven months of the 1990-91 crop year, which is the highest amount ever in a single crop year. Because of our secure access, the U.S. is our second-largest export market after Japan of those countries not eligible for the U.S. Export Enhancement Program.

The Canadian Wheat Board (CWB) and the Ontario Wheat Producers Marketing Board will continue to aggressively seek the best markets for Canadian wheat. They will continue to be responsible for marketing wheat in export markets including sales to the U.S.

End-use certificates to be provided by the Canadian Grain Commission (CGC) will be required for any U.S. wheat entering Canada for any further processing. These certificates keep shipments of U.S. wheat out of Canada's grain export system by stipulating that the wheat must be used at the facility to which it is being sent.

American wheat entering Canada for seed use must be accompanied by a seed certificate which is issued by Customs Canada following seed inspection by Agriculture Canada.

U.S. wheat entering Canada to be fed directly to livestock or poultry will not require an end-use certificate. Feed wheat must be denatured so that it does not enter the grain marketing system. The CGC will be monitoring such imports.

These provisions of the Canada Grain Act will be strictly enforced with penalties able to be imposed for non-compliance.

Canada retains the right to introduce or reintroduce quantitative import restrictions on imports of grain or grain products originating in the U.S. if these imports increase significantly as a result of a substantial change in U.S. or Canadian support programs for that grain.

Canada retains its General Agreement on Tariffs and Trade (GATT) rights to take remedial action against unfair import competition. For example, if subsidized imports cause