

intention to change the Two Price Wheat Policy. Farmers will continue to receive support while processors will continue to be able to compete in both domestic and international markets as various provisions of the agreement affecting wheat trade between Canada and the United States come into effect. Consultations have begun with provinces and producers on how and when compensation to farmers will be made.

For Alberta's livestock producers there are some really tangible benefits, such as the elimination of tariffs.

The new trade dispute mechanism will guarantee the impartial application of anti-dumping, countervail, and other aspects of trade remedy laws.

Alberta beef producers will benefit from the exemption under any application of the U.S. Meat Import Law. The U.S. is by far the largest export market for beef producers and assured access to this market is necessary for the well-being of the industry.

Canadian exports of swine, pork and products to the U.S. in 1986 were approximately \$630 million. Producers remember only too well the recent disruptions caused by the misuse of technical regulations as disguised barriers to trade by several U.S. states. The new agreement would prevent a re-occurrence of the chloramphenicol issue.

As part of the agreement, the U.S. has agreed to implement an open border policy for meat inspection. To Albertans this means that with regard to our shipments to the U.S., only irregular spot checks for compliance with inspection requirements will occur.

By the end of the next decade, Alberta producers of meat and livestock, grains and oilseeds and potatoes will be able to compete on an equal footing in the huge American market without the burden of tariffs and other barriers at the border. At the same time, their income stabilization and price support programs remain unimpaired by the agreement.

#### Dispute Settlement

Exports of Alberta lumber and woodpulp to the U.S. are substantial. This sector knows what U.S. protectionist actions really means. The unique dispute settlement mechanism provides greater security to producers. Their