

*Canada-U.S. Free Trade Agreement*

I just want to conclude by saying two things very briefly. First of all, I think that this trade agreement is a very great opportunity for Canadian agriculture. I want to pay tribute to the negotiating team under Simon Reisman, all people in the Department and all people in the House who were involved such as the Parliamentary Secretary and the Minister. They did a very good job on the agreement and on behalf of Canadian agriculture.

In conclusion, let me speak for a minute as a farmer. I am home on my farm on the weekend. We all know the frustration and the sense of unfairness that go with having weather deprive us of a crop. It is not good for the soul and it does not make us feel good. Above all, as a farmer you are proud of what you produce and you like to produce a high quality product. When the weather deprives you of that, it is not a good feeling. You work throughout the year and in many cases, as around my farm this year, you are left with virtually nothing of a cereal crop. There is not very much that we can do about that.

We have made some improvements as far as plant breeding and as far as what we can do with weather are concerned. However, it is equally as frustrating when we are deprived of a livelihood because we do not have the access to markets. It is just as devastating to farmers. That is what we are addressing in this Bill. We are giving farmers an opportunity to compete. My ancestors came here because there was an opportunity to produce. They made it work. They made history by making this country produce. We are making history, I firmly believe, because this Bill gives Canadian farmers a chance to sell, a chance to have access, a chance to market. It is going to be just as important to my children as my father found it important for his forbears to give him a chance to produce.

I am very happy to have had a chance to say a few words in support of the free trade agreement because I firmly believe that it is going to be very useful and very helpful to Canadian farmers in the future.

**Some Hon. Members:** Hear, hear!

**Mr. Foster:** Mr. Speaker, I just have a couple of comments. The Minister of State for Grains and Oilseeds (Mr. Mayer) said that there was great concern in Ontario with the free trade deal. He is really right.

**Mr. Mayer:** I did not say "great concern".

**Mr. Foster:** Some 48 per cent in the province oppose it, 31 per cent are in favour of it, and 28 per cent strongly oppose it. More important, the majority of the people of Manitoba and Saskatchewan oppose this deal, as was reported in the Environics poll of June 7 to June 27. In Saskatchewan, 29 per cent are in favour of the Mulroney-Reagan trade deal and 49 per cent are opposed. Even more important is the fact that 36 per cent strongly oppose it and only 9 per cent are strongly in favour of it. In Manitoba, similarly 27 per cent are strongly opposed and 11 per cent are strongly in favour.

I wanted to call to the attention of the Minister that the Wheat Board advisory group opposed this deal because of the implications for the Canadian Wheat Board. If we look at their report, which was issued a couple of weeks ago, on July 28, it reads:

"After careful review of the proposed Bilateral Canada-U.S. Trade Agreement including Chapter 7 of the United States Statement of Administration Action, the Canadian Wheat Board Advisory Committee considers the proposed Free Trade Agreement will:

1. undermine the ability of The Canadian Wheat Board to be an effective marketing agent on behalf of Canadian grain producers.
2. create an environment in which it will be increasingly difficult to maintain the quality and uniformity of the Canadian grains.
3. not provide enhanced and secure access to the U.S. market. The Canadian Wheat Board Advisory Committee recommends to The Canadian Wheat Board, the Minister of State, Grains and Oilseeds, and the Prime Minister that the total grain industry be exempt from the Free Trade Agreement."

Part of that stems from the fact that the articles of the trade deal, as issued last October, seemed to imply that we would have full access to the U.S. and be exempt from Section 22 of the Agricultural Adjustment Act. However, when we get into the actual agreement in the United States, the administrative recommendations and so on, it is rather fuzzy, especially at a time when the Ministers here and in the provinces are negotiating or considering changing our support programs and our stabilization programs, or perhaps doing that in the future, whether or not we in fact would be exempt from that U.S. Act which provides for controls on imports.

The Minister read out three or four groups in favour of the trade deal, and of course groups like the hog producers and the beef producers essentially have free trade now. They want to continue having that free trade arrangement even though they would gain essentially about one cent a pound. There would be some harmonization of health standards. We hope that they would not be lowered. They are scared to death of the dollar going to 95 cents next to the American dollar, if the exchange rates rise or come to par.

**Mr. Mayer:** What does that have to do with free trade?

**Mr. Foster:** More important, the Minister talks about the people who are in favour of it. The Canadian Federation of Agriculture, the largest umbrella group in the country, expressed grave concerns with the deal, and it sent a letter to the Prime Minister (Mr. Mulroney) demanding a meeting with him, which it has not had yet. In its letter it pointed out that there were grave and serious implications for the Canadian agriculture industry, especially the integrity of the Canadian Wheat Board marketing system. It is very concerned that in the long haul the Government is going to give away that Wheat Board orderly marketing system to the multinationals, mostly large American grain companies, and that the power, the authority, and the effect of the Canadian Wheat Board will be lost.

Second, the Federation is concerned that the standard of quality of Canadian agricultural products will be lost. It is concerned that the Canadian Grain Commission will not be able to control products coming in from the United States.