

Customs Tariff

be removed January 1, 1989, whereas the tariff of approximately \$35 or \$40 a tonne for Canola oil to the Pacific Northwest that is being applied by the U.S. Government would be removed over a 10-year period. We had an advancing market in this area that was growing by leaps and bounds. There was a dramatic increase in the market, and consumers liked it. The Canola producers were going to have a great advantage in the long run because of the quality of that Canola oil. The margins for those producers will be dramatically cut because of the free trade agreement. I have seen the estimates for the market in the Pacific northwest, and they are tremendous. Of course, when the market was completely saturated, there was opportunity to go into the California market, which would have been many times larger.

• (1710)

The industry wonders why the Government removed that. It is an admission, not only to the Americans but to our competitors in the grain handling industry abroad, that the Government of the day has agreed that it is a transportation and export subsidy. It will give our competitors great fire-power in the battle at the GATT, not only to call the Crow benefit with regard to the Pacific northwest a transportation and export subsidy, but to call the entire Crow benefit a transportation and export subsidy.

The Government is committed to going to the GATT and to reducing export subsidies on farm commodities. It is committed to a "me too" policy. To whatever the Americans say at the GATT, it will say: "Aye, ready". That will be its support for the issue. I would be interested in knowing how the Government can say "Aye, ready" to the removal of the Crow benefit, which is an integral part of the transportation system of western Canada and extremely important to our producers. Yet it is being put in jeopardy by the free trade agreement and the admission that it is a transportation subsidy in terms of the Pacific northwest.

Many producer groups in the West wonder why the Government did not simply provide the Crow benefit for Canola, Canola meal, and all other shipments going to Vancouver so that it would be uniform assistance across the board. Likewise, in the free trade agreement the Government has agreed to support the United States in its undertakings at the GATT. We wonder why it is doing that since essentially we are competitors in international grain markets. We are not always purchasers of their commodities, and they are not always purchasers of ours.

These are some of my concerns about the legislation. At first blush it appears to be strictly a technical Bill which provides for a few technical amendments such as the inclusion of Canola in the legislation. It also provides for greater borrowing power by the Canadian Wheat Board, more agencies, and more lending institutions. We wonder why that provision would be extended to foreign Governments. Perhaps the details can be provided.

We want to see efficiency in terms of producer cars, but at the same time we do not want to see the entire pooling system or delivery point system destroyed in the grain handling mechanism of the Canadian West.

I understand that there has been agreement to refer the Bill to the Standing Committee on Agriculture rather than to a legislative one. I think that is a good idea, because those of us who serve on that standing committee would also be required to serve on the legislative committee. It will be much easier in terms of scheduling, and I think we can do as good a job in handling the details in the standing committee rather than in a legislative committee.

When the Minister of State for Grains and Oilseeds (Mr. Mayer) appears before the committee, I hope he will be able to answer some of these questions. I also hope that groups such as the prairie pools will have a chance to appear before the standing committee so that they can provide their input to this piece of legislation. We need to view it not only as technical legislation but in terms of the general challenge that will be before the Canadian Wheat Board after the free trade legislation has been pushed through the House, which we assume will be in the next week and a half.

Having made those few comments, let me say that I want to see the Bill go to committee for further discussion and consideration.

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the second time and, by unanimous consent, referred to the Standing Committee on Agriculture.

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CUSTOMS TARIFF**MEASURE TO ENACT**

The House resumed from Tuesday, December 8, consideration of the motion of Mr. Hockin that Bill C-87, an Act respecting the imposition of duties of customs and other charges, to give effect to the International Convention on the Harmonized Commodity Description and Coding System, to provide relief against the imposition of certain duties of customs or other charges, to provide for other related matters and to amend or repeal certain Acts in consequence thereof, be read the third time and passed.