

Free Trade

a full draughthorse around to show who won and who lost in the agreement. It was also interesting that the junior Minister of Agriculture was presented with the little white rabbit in the cage to dramatize the loss of so much in the deal.

There is very grave concern among agricultural producers that the dispute handling mechanism will not change the rules of access to the U.S. market. For instance, the countervail duty on hogs today of 4.3 cents per pound or \$10 per hog going into the U.S. is still there. If we are to get rid of all these countervail problems, why did we not get rid of that one?

Clearly the same laws are in place, as is the long rigmarole. The omnibus trade Bill which has many provisions relating to agriculture will probably be put in place. The trade agreement will not change that.

It is clear from our hearings across the country that no group will be hurt worse than the grape and wine industry. Some 20,000 jobs will be totally sacrificed. They will be going out of business. There are tremendous areas of Canada in the Niagara Peninsula and in the Okanagan Valley which are suitable for such crops, but they will be sacrificed in the deal. I think it is one of the most shameful acts that has ever taken place. We know that it was a personal deal between the Prime Minister and the President. The President has his rich friends in California and he ensured that the deal was carried out. Perhaps he can tip his hat to them, but it will certainly carry a very angry odour with it throughout history in those areas of the country.

Similarly, seasonal tariffs which are absolutely essential to the fruit and vegetable industry will be wiped out by the agreement. The snap back provision introduced by the Government is ineffective and will require that the industry contract or stay small. It will not be able to expand. It is unbelievable that that was given away.

It is also clear that the powers and prerogatives of the Canadian Wheat Board will be reduced by the deal. The two-price system, which has provided some \$280 million of benefit to western farmers and some \$30 million to Ontario farmers, will be wiped out. We are not clear whether there will be a compensation package. That is a weakness in the deal which was identified by the standing committee. Also, there is no industrial adjustment or compensation package for any group of producers which will be adversely affected by the deal.

One of the greatest concerns of the Canadian agricultural industry, especially in the West, is the Crow benefit in that some \$750 million has been removed for shipments of Canola oil and Canola meal to the Pacific northwest. The Government has indicated that it is an export subsidy. We know that the United States will be going to the GATT negotiations determined to remove all export subsidies, and now the Government has admitted that this is an export subsidy. Furthermore, the Government is committed in the agreement to supporting the United States. They will go hand in hand to the GATT. What chance does the Crow benefit have of surviving the next GATT round of negotiations?

Canola is one of the exciting crops developed in Canada. It has been gaining markets in the Pacific northwest. It is interesting that the Government gave away a transportation subsidy which will amount, in the private sector if it has to be paid by producers from January 1, 1989, to some \$23 per tonne in Alberta and over \$30 per tonne at shipping points in Manitoba and Saskatchewan. That assistance stops January 1, 1989, but the tariff on Canola oil into the Pacific northwest which amounts to over \$30 a tonne will be phased out over 10 years. It is a shameful act.

• (1250)

The chief negotiator for Canada said that the United States is like a Third World country in the way it negotiates and that they were snookered by Mr. Reisman. I ask on that Canola deal whether Mr. Reisman thinks that the Canadians really snookered the American negotiators. Clearly the Canadians did not. We lost tremendously.

If we destroy the Canadian Wheat Board, and the move in this deal is in that direction because there will be tremendous pressure on the Canadian Wheat Board, Canadian producers with a free flow of grain across the border will only be able to deliver to their milling operation or for export to the limit of their quota books. United States producers will have unlimited access to deliver in Canada. That, in the long haul will put pressure on the Canadian Wheat Board and will reduce its authority.

The chief negotiator on the American side we are told is Dan Amstutz who was the former chief executive officer of the Cargill organization, the largest private corporation in the world. He was there at the same time as an official from Cargill in Canada, seconded to the Minister of Agriculture's (Mr. Wise) office. Did we have the large private grain companies negotiating on both sides of this issue on agriculture? If we did you can bet that the Canadian farmer did not come off best in this agreement.

I want to turn briefly to supply management, marketing boards and the feather industry. Clearly we have given away the tariffs and increased the quota for the feather industry so that there will be massive increases in the amount of chicken, turkey and poultry coming into Canada, some 20 per cent over the previous quotas allowed.

Concerning eggs, some six million more dozen will be allowed into the country under this agreement. What did we get in return, Mr. Speaker? As far as I know we got nothing. There is no new access to the U.S. market. There will be tremendous pressure on Canadian producers because of the loss of the tariff.

The dairy farmers of Canada have indicated that they will oppose the deal because the Government has refused to put dairy products, like ice-cream, yogurt and fluid milk, on the import controlled list. We are not clear why the Government has refused to do that. We suspect the Government has refused