

*Canada-U.S. Free Trade Agreement*

Therefore, we will not get into a situation such as the one in Manitoba three or four years ago in relation to hogs. An artificial barrier was put up because some of the states were concerned about the possible presence of Chloramphenicol, a drug used in disease prevention in the raising of hogs. What is so drastic about simply sitting down with one's neighbour, one's best customer and friend, and working out a standard set of rules by which to play?

The third issue that is very fundamental and, to me, one of the most important parts of the trade deal, is the dispute settling mechanism. When we trade between our two countries there will come a time when disputes arise. That is normal in any endeavour, whether it is buying a car or buying groceries. There are always occasions when there are some concerns to be looked at. The dispute settlement mechanism simply provides that there is a fair adjudication of disputes. Canada is not going to be exempt from American trade law any more than the Americans will be exempt from Canada's trade law. That should be normal. What is very useful and unique in this case is that the dispute settlement mechanism will be binding, and there will be an opportunity to deal with trade disputes on a fair-minded basis by applying the rules.

There have been concerns expressed directly about the quality, uniformity, and ability of Canada to maintain those two very desirable traits as far as grain and oilseeds are concerned. Those have been fully addressed in the free trade agreement. Both Canada Grain Commission and Canadian Wheat Board lawyers were involved in the final drafting of the free trade agreement to ensure that their interests were protected and to see that within the framework of the agreement they had the full legal authority to carry out their responsibilities under the agreement.

In fact, not only were the lawyers for the Wheat Board and the Canada Grain Commission involved in the drafting of the Bill before us, they were also involved in the discussions leading up to the agreement that was originally reached last fall. Nothing in the agreement hinders in any way the ability of the board to function in the same manner as it has functioned in the past. It is quite the opposite.

The Canadian Wheat Board now has the responsibility for issuing end use certificates. That responsibility has been given to the Canada Grain Commission to carry out. If anything, the legal framework under which the Canadian Wheat Board operates has been strengthened. End use certificates will be required should grain come into the country, and that will only happen if there is a certificate issued to bring it in under certain circumstances, or if there is an equalization of support programs on both sides of the border. In either case when the product comes in under an end use certificate it will be up to the Canada Grain Commission to see that it is adhered to, and that commission may decide to product identify that grain. It may wish to colour some of the grain or add some confetti to ensure that the integrity of our system is maintained. Rather

than concern expressed about maintaining the integrity of our grain handling system, and the high quality that we have, the agreement actually strengthens the Canadian Wheat Board's ability to do just that.

There has also been concern expressed about the so-called transparency of the manner in which the Wheat Board operates. "Transparency" simply means that there is concern the Wheat Board does not have its prices made public when it sells. There is nothing in the agreement that compels the Canadian Wheat Board to operate in a different fashion than it does presently. In fact, when there is a system such as the Canadian Wheat Board that is doing a very good job of selling—and in fact it sold a fair amount of wheat to the United States last year—and its ability to sell is strengthened by giving it a better set of rules under which to operate. It seems to me that this agreement gives the board a better set of rules under which to operate.

I want to suggest to those who are concerned that they ask the board. The Wheat Board has told me that it would be delighted to sell into the American market without fear of political quotas, or without fear of having Section 22 of the American Agricultural Adjustment Act imposed on it. I would suggest that people ask the Wheat Board and the Grain Commission whether they see the free trade agreement as causing any problems. There are many opportunities in the United States for Canadian agriculture because of the quality of product we produce.

In conclusion, one other example is Canadian Canola oil. Last year in the United States it was named food product of the year. That oil is derived 100 per cent from Canadian Canola. At the present time we have a very small percentage of the American edible oil market, less than 1 per cent. With the concern today over health and diet, it gives us a tremendous marketing opportunity in the United States. In fact, the Canadian Canola Council is suggesting that we could need two million additional acres to supply that demand. That council can see the demand growing at approximately 10 per cent per year for the next number of years. This agreement gives us that opportunity.

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There is an oilseed processor in Windsor, Ontario that is spending literally millions of dollars in expansion, largely aimed at the U.S. market. It is very well positioned to service the Detroit market. Here is a case where Ontario farmers—and there is a concern in Ontario—can benefit substantially by having more secure access into the United States. There are eight million to ten million bushels of soybean exported today. I am told by that processor in Windsor, Admuco Grain Co., that it can see an additional 18 million to 20 million bushels of soybeans being crushed for the export market. That is as a result of this free trade agreement.