

105TH CONGRESS  
2D SESSION

# H. RES. 583

Expressing the sense of the House with respect to barriers between the United States and Canada with regard to certain agriculture products.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 8, 1998

Mr. SMITH of Oregon (for himself, Mr. BARRETT of Nebraska, Mr. THUNE, and Mr. HILL) submitted the following resolution; which was referred to the Committee on Ways and Means, and in addition to the Committee on Agriculture, for a period to subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## RESOLUTION

Expressing the sense of the House with respect to barriers between the United States and Canada with regard to certain agriculture products.

Whereas the Canadian beef industry benefits from being able to freely market slaughter cattle and beef in the United States through provisions contained within the Canadian Free Trade Agreement, the North American Free Trade Agreement, and the General Agreement on Tariffs and Trade (hereinafter in this resolution referred to as “GATT”);

Whereas through these agreements the Canadian beef sector enjoys treatment that provides its beef producers a com-

parative advantage when marketing its product in the United States, including—

(1) shipping ungraded beef carcasses from cattle slaughtered in Canada to the United States for grading using USDA beef quality grade markings, allowing the Canadian beef to be marketed in a manner identical to United States product; and

(2) shipping live cattle in sealed trucks for immediate slaughter in United States plants, which allows Canadian beef producers to avoid the costs of APHIS cattle health inspections and testing that would otherwise apply. The beef from these cattle, once slaughtered in a United States plant, is also assumed by United States consumers to be United States beef;

Whereas Canadian beef producers are able to utilize the United States beef marketing system virtually without restriction thereby enabling them to redistribute their marketing resources in promoting Canadian beef products in competitive foreign markets to the detriment of the United States exporters;

Whereas United States cattlemen do not benefit from commensurate access or treatment with respect to Canadian marketing opportunities;

Whereas the Canadian Wheat Board, a state trading enterprise, maintains a monopoly on export trade in wheat and does not operate in a transparent manner;

Whereas Canada has not agreed to terms of reference under which an audit of the Canadian Wheat Board, as pro-

vided for in the North American Free Trade Agreement (hereinafter in this resolution referred to as “NAFTA”), may go forwarded;

Whereas the practices of Canada in failing to expand market access have a long term adverse impact on the domestic production of American agricultural products; and

Whereas Canada has resisted efforts to expand market access for dairy, poultry, and eggs, which it protects with limited minimum market access quotas and prohibitively high tariffs, which for some products exceed 300 percent ad valorem: Now, therefore, be it

1       *Resolved*, That it is the sense of the Congress that—

2               (1) the Secretary of Agriculture (hereinafter in  
3       this resolution referred to as the “Secretary”)  
4       should analyze trade between the United States and  
5       Canada with regard to beef, beef cattle, wheat, bar-  
6       ley, dairy, poultry, and eggs and report the findings  
7       to the Committee on Agriculture in the House of  
8       Representatives, and the Committee on Agriculture,  
9       Nutrition, and Forestry in the United States Senate;

10              (2) the report of the Secretary should include a  
11       description, status, and analysis (including apparent  
12       benefits and limitations to farmers and ranchers of  
13       either country) of—

14                      (A) the applicable general and specific pro-  
15       visions of the GATT, CFTA, and NAFTA that

1 facilitate or restrict trade in these commodities  
2 and products between the 2 countries; and

3 (B) past, present, and anticipated future  
4 actions and negotiations to resolve trade con-  
5 cerns and complaints by either country with re-  
6 spect to these commodities and products; and

7 (3) the Secretary should identify, analyze, and  
8 report on the economic impact of trade agreements  
9 and other agreements affecting trade between Can-  
10 ada and the United States on the beef, wheat, and  
11 barley sectors of both countries, including—

12 (A) an aggregate and regional analysis of  
13 the impact on the beef, wheat, and barley in-  
14 dustries; and

15 (B) a comparative national and regional  
16 analysis of the impacts on specific segments of  
17 the beef, wheat, and barley industries;

18 (4) the Secretary should analyze and report on  
19 macroeconomic factors including currency exchange  
20 rates and interest rates, which impact trade of agri-  
21 cultural commodities between Canada and the  
22 United States;

23 (5) based on the analyses described in this reso-  
24 lution, the Secretary should identify any provisions  
25 of the agreements and the implementation thereof

1 that limit, inhibit, or otherwise restrict the ability of  
2 the United States farmers and ranchers to benefit  
3 from or mitigate the economic impact of trade be-  
4 tween the United States and Canada;

5 (6) the Secretary should identify and analyze  
6 the long term effect of the comparative advantage of  
7 Canadian agricultural producers on the production  
8 and competitiveness of American agricultural pro-  
9 ducers; and

10 (7) the Secretary should identify and analyze  
11 the long term effect of the lack of market access on  
12 the production and competitiveness of American ag-  
13 ricultural producers.

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