

BOB DOLE



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DOLE BLASTS CANADIAN DECISION AGAINST U.S. CORN PRODUCERS

Washington, DC -- Calling yesterday's preliminary decision by Canada to impose a provisional duty on U.S. corn imported into Canada "a serious step in the wrong direction", Senator Bob Dole (R-KS) urged the Canadian government to reverse its conclusions before a final decision is made.

Said Sen. Dole, "I look forward to personally meeting with Canadian Ambassador Alan Gotlieb to review this matter. I think it is both ill-advised and factually wrong for the Canadians to say that our domestic programs are an illegal subsidy causing injury to their producers.

"In fact," Sen. Dole noted, "our domestic programs have insulated the Canadians from price risks for years. The record shows our corn exports to Canada have been declining for several years, while Canadian corn production has increased 22-percent since 1980."

"If they want to complain that U.S. policy is finally making us more competitive, that's fine by me," said Sen. Dole. "I know of no law which says that U.S. producers shouldn't be allowed to compete in world markets. And with a new round of GATT talks underway, now is not the time to begin encouraging other nations around the world to set up protectionist barriers to U.S. farm exports."

Revenue Canada, an agency of the Canadian government, issued the preliminary decision to impose a duty fee on corn of \$1.05 per bushel in response to a petition by the Ontario Corn Producers Association (OCPA) which alleged 67 different U.S. farm programs represent illegal subsidies on American corn exports. The petition asked the Canadian government to impose countervailing duties to offset the value of the alleged subsidies on imported U.S. corn.

Dole said the Canadian action is likely to set a bad tone for any bilateral discussions of a free trade agreement with the Canadians. "I would hope our two nations can work together to avoid further escalation of our trade differences," Dole observed. A final decision will be made on the case early next year.