

and the European Economic Community could cease their so-called subsidy war that was constantly keeping the international price of wheat, in particular, severely depressed. It is my information that, since an agreement could not be reached in Montreal, the matter was in fact deferred until April, when a meeting was to be held in Geneva.

Honourable senators, it is now April and we are still unaware of what the Canadian position is in this respect. I know the minister cannot speak for Europe or for the United States. However, in the past Canada has played a very important role in finding some common ground so that our own producers do not suffer the economic hardship and depression that, in fact, we have gone through for the past three or four years while these two economic units have been fighting their subsidy war.

I would point out to the Leader of the Government in the Senate that the important part of my comment is that now, some three or four months after that initial meeting in Montreal, we are still unaware of what the Canadian government's position will be in these negotiations. I see that the Leader of the Government is shaking his head. I would advise him that the Canadian delegation is presently in Geneva and is, in fact, taking part in the discussions that are going on.

As I said, in the past Canada has played a very important role as an honest and influential broker in these kinds of disputes. Perhaps the Leader of the Government in the Senate could advise us today whether or not the Canadian delegation is undertaking such a role, since this matter is of extreme importance to a large part of western Canada. If he is unable to do so, perhaps he could find out from the minister directly responsible what Canada's position and action will be on this important matter.

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, the fact that the subject matter is on the GATT agenda at all is largely due to the efforts of Canada, since Canada's Prime Minister also succeeded in putting the question of agricultural subsidies on the agenda for the meeting of heads of government some months ago. Canada has also been very active in the Cairns Group, as the honourable senator knows, in attempting to work towards solutions to these very complex problems.

As the honourable senator has indicated, meetings have now been resumed under the auspices of the GATT in Geneva. I have been informed that some proposals have been put on the table by Mr. Dunkel, who is, I believe, the Secretary General of GATT. These proposals are now being discussed, but I cannot report at the moment that there has been any further progress. We do know that failure to make headway on the question of agricultural subsidies—as, indeed, is the case with textiles and intellectual property rights—would seriously compromise this whole GATT round, if not derail it altogether. So, not merely from the point of view of an agricultural producing nation but as a trading nation we have a very large stake in achieving some solution. I assure the honourable senator that Canada continues to provide leadership on this subject in the GATT and in other international fora.

[Senator Olson.]

• (1420)

Senator Olson: Honourable senators, I have a supplementary question. Mr. Yeutter, as the then chief negotiator for the United States, but who has since been appointed Secretary of Agriculture in the new Bush Administration, is reported to have said in Montreal that, unless Europe agreed to eliminate all agricultural subsidies by the end of the 1990s, they were not willing to negotiate anything else and, particularly, they were not willing to negotiate any change in the grain export subsidies. As yet we have not heard from Canada or the Canadian delegation as to whether or not they considered that demand to be reasonable or unreasonable. I happen to believe that in terms of getting a commitment from Europe the demand was so unreasonable that they knew very well that there would be no movement whatever. However, we have still not heard from Canada as to what position we are taking on the demands that were made at the meeting in Montreal.

Senator Murray: Honourable senators, whether the demand was reasonable or unreasonable, it moved nowhere.

Senator Olson: That is right, and that means it was unreasonable!

Senator Murray: So that is the end of it. Possibilities are now being discussed at the GATT, and I suppose one of the possibilities would be a freeze on present subsidies followed by, or as an alternative, a "phase-down" in agricultural subsidies. I do not think that this is the kind of subject on which I can usefully extemporize at this time. There is a range of options now on the table before the delegates at the GATT meetings in Geneva, and I am sure the honourable senator shares the hope of the government that we will make some headway on this matter in the next little while.

Senator Olson: Honourable senators, I have a supplementary question. That is exactly what we want to know. The producers in this country have a right to know what those options are. The minister has just said that there is a range of options on the table. Will the minister give an undertaking to bring to the Senate an articulation of those options so that the producers, who, as I said, are so vitally and profoundly concerned with this matter, will know what they are?

Senator Murray: Honourable senators, I shall ask my colleagues to convey to me, so that I may convey to the honourable senator and to the Senate, all the information that can properly be made public on this matter at this time.

CANADA-UNITED STATES FREE TRADE AGREEMENT

RESULTANT JOB LOSSES IN CANADA—REQUEST FOR COMPARATIVE U.S. STATISTICS

Hon. Raymond J. Perrault: Honourable senators, during the last election campaign the Prime Minister of Canada toured this nation and assured Canadians that there would be magnificent results ensuing from the trade arrangement made between Canada and the United States. We were assured that there would be a vast increase in the number of jobs. The