

### Supply

them to find out how they want to treat the remainder of that as we go forward.

The total support in the last year was about \$228 million. That will be reduced 15 per cent this year. It is going to be about \$193 million. I point out that out of that \$228 million, \$106,106,000 went to the province of Quebec. That is because they have 47 per cent of the industrial milk production.

The question is put forward: with the 1981 census being reduced this year, can that be recovered from the marketplace? I addressed that as well in the article, from which the member may quote me. That discussion is there.

The minister has been very clear. He does not wish to make a statement on that at this time. There are ongoing discussions about the cost-of-production formula. In a responsible way, all participants in the dairy industry have taken a look at the recovery of their costs from the marketplace for the farmers for their milk. They did that in a responsible way before. In doing so, they considered what an increase in the price of raw milk to the processors would mean to the processors and what the processors might have to do with the cost of the product they produce for the Canadian consumer.

I want to point out as well that the dairy industry—I believe that is what the opposition is probably hinting at here today—as well as the supply-managed sector, but in particular the dairy industry, is not subject, because of the protection we were able to keep, to the tariffication in GATT, the high levels of tariff, which is deserving. Those producers certainly deserve a return on their investment, on their risk and on their management. The efficient producers deserve a fair return. It is there for them. It is what the level of tariff protection provides for them.

● (1330)

I must also remind members that their production is not subject to the vagaries and challenges as much. Ninety per cent of their production is domestic, it is not on the export market. However the grain producers in western Canada are totally at the whim of world markets. Our supply managed producers are not subjected to that.

They have a tremendous amount of built-in support. It is not something that one can put a dollar value on by getting out a bunch of charts, sheets and graphs and adding up a bunch of figures. It is there. We are proud to have it there. We are going to fight to the last straw the challenge of the United States.

Every indication we have is that GATT overrides NAFTA as far as what we have done in the past. The Prime Minister has told the president of the Dairy Farmers of Canada and the president

of the UPA to their faces—the minister and I were present at that meeting—that what we have done as Canadians is right. We are going to fight for it. That is the way we are going to go.

We also have to recognize, and the dairy industry does, that even though reforms have been made, still more reforms will have to be made. The way I have referred to it for a number of years is that they have done it in the past and can continue to do so. The dairy industry has shown it can roll with the punches. It has been successful in its genetics management, marketing, and so on. I could go on. The producers are an important link in that chain. The processors are an important link. There is some export. The consumers are an important link.

It is important that every efficient link in that chain has a fair return on investment and the risk involved in the industry. We will fight to maintain that. We look forward to the co-operation of the Bloc Québécois in doing so not only for the farmers in Quebec but for the farmers in all of Canada.

[Translation]

**Mr. Jean-Guy Chrétien (Frontenac, BQ):** Madam Speaker, I would like to cordially congratulate the Parliamentary Secretary to the Minister of Agriculture for his contribution to the debate today the purpose of which is to expose the unjustness of the particular treatment that the government will unfairly give to the west.

I found it particularly entertaining, since he knows the farming sector so well, when he talked about cows producing astronomical quantities of milk. I am proud to announce that in 1990, the champion milk producer, a Holstein cow, lived in my riding, in the parish of Plessisville.

I would also like to say that the parliamentary secretary certainly must frequent different dairy producers than I do. I have with me a photocopy of an editorial by Claude Rivard which was published in the newspaper *Le producteur de lait québécois*. Mr. Rivard is no small fry. He is the president for Quebec and vice-president of Dairy Farmers of Canada. Obviously, the title of his editorial is "The federal government's heavy hand".

I would now like to contradict what the parliamentary secretary said regarding research and development in the farming sector. Mr. Martin's axe has not just nicked dairy and transportation subsidies. The government has announced that it intends to completely withdraw from all dairy control programs within three years. How can we produce world champion cows with no control in the sector? Research and development are the cornerstones of dairy production.