

*Supply*

the Canadian grain handling system or jeopardize our quality standards.

The new trade deal protects many aspects of Canadian agriculture. For example, the import control list regulates most dairy and poultry products coming into Canada and the United States. Although yoghurt, ice-cream and further-processed chicken and turkey products are not now under import quota, there is nothing in the proposed agreement to prevent Canada from adding these products to the import control list. We do not do that unilaterally. We do not violate the Canada-U.S. trade arrangement or Article 11 of the GATT rule.

The Hon. Member for Algoma (Mr. Foster) had some very inaccurate and negative things to say about the position we are taking on GATT. The Member is misinformed. We did not table a position identical to that tabled by the United States.

**Mr. Foster:** Prove it.

**Mr. Wise:** That is why I said to him, Madam Speaker, through you, that that was false information. If he would take the time to read the statement made by the Minister of International Trade (Miss Carney) in the House of Commons he would see five paragraphs dealing specifically with the position we are taking on GATT with regard to supply management. Unlike the Americans, we are going to GATT with supply management as an example of responsible marketing, not only domestically but, more specifically, in the export market.

Canada's dairy program has been studied by 26 countries and is being implemented by 21 of them. One can search long and hard but will not find anything in the world that will come close to Canada's dairy program. There is nothing in the world so responsible in balancing supply and demand in the domestic market.

Dairy farmers have to deal with feed conditions, weather conditions, and many other factors that are beyond their control. They are not running an assembly line. One does not go to the barn and turn the cows off and on with a flick of the toggle switch. You do not turn them up 50 or 60 pounds and turn them down with a little knob. The dairy farmers managed to balance supply with demand, despite all of these things over which they have no control, within one-half of one per cent.

Dairy farmers met with me a year and a half ago and said that producing extra milk for the export market was sheer nonsense, that it was costing them \$15 million a year out of their own pockets and was costing the federal Government anywhere from \$15 million to \$30 million. It made no sense, so we agreed to reduce the amount that they produced for the export market.

One would search long and hard for an example of responsibility and not find a better one in this world. Those commodities that are not supply managed had better study the market

opportunities and pay a little more attention to management of supply.

The Member criticizes the Government for not tabling all of the details of GATT. The Member's Party was in government for the last two rounds of GATT. I ask him to check the record of how they handled the situation. The Canadian tradition existed then, as it does now, that you do not table the details of those agreements in the House of Commons. The Minister makes a statement in the House, as our Minister did last week, with respect to that. We followed the historic Canadian tradition of tabling the details in GATT and having the Minister make a statement in the House of Commons.

Canada retains the necessary latitude to prevent our supply management programs from being undermined by increased imports. I attended 190 events outside of Ottawa last year. At such events there is typically a brief speech by the Minister. I suppose some in the audience may have thought I could have been briefer. However, almost invariably the first question to be asked at a public meeting is with regard to supply management. People were concerned that we would not be able to negotiate that with the United States and asked what we would do in GATT. The supply management people led the public debate on that issue.

At the same time, Canadian farmers and food processors will have new marketing opportunities in the United States. No one from across the way talks about that. For example, some soft, ripened specialty cheeses produced in Canada are outside of the U.S. quota system. As the specialty cheese industry develops in Canada these high quality, competitive markets could find larger markets in the U.S.

● (1240)

I have only scratched the surface, Madam Speaker, but you have given me an indication that my time has expired.

In conclusion, I ask Hon. Members not to ignore the facts. Leave the partisan politics aside and listen to what the people in the industry are saying.

Let me deal with the grape industry. I never said that it was a winner in these negotiations. It is one industry that has attracted the attention of the Americans simply because of the provincial pricing mark-ups and pricing policies. There is no way you can ignore that. They are extremely discriminatory. It not only attracts the attention of the Americans, that issue is under challenge by GATT. The GATT panel will soon rule on that question and it is not appropriate for me to make any further comment than to say one of these days GATT will rule on that issue. I know those people in the industry. I work with them every day and we have all kinds of members from the peninsula, from the Okanagan in British Columbia and other grape-growing areas. We have been buying grapes from the peninsula since we assumed Government and we have an agri-food agreement with the Province of British Columbia where we have been removing red grapes and so on.