

and depth of the government caucus, of which I am very pleased to be a part. That caucus has worked hard to get to this House and to get to the government side of this House and I know they are determined to play a strong and positive role. They have already done so in working with me in my responsibilities as Minister of Agriculture and Agri-Food Canada. They have been vigilant, mature and highly effective in advancing the interests and concerns of their constituents on agricultural issues.

• (1015)

As Minister of Agriculture and Agri-Food, I am responsible for a very important component of Canada's economy and a major source of economic growth. This sector employs more than 1.8 million Canadians and generates 8 per cent of Canada's gross domestic product. Food production and processing are important activities in all parts of Canada, east, west and central, rural and urban. Our agri-food policy was spelled out very clearly in the famous red book during the election campaign.

The two broad thrusts of that policy are to provide the agricultural sector with stability and certainty for the future and to ensure that it contributes to economic growth and jobs. We ran on that platform, we were elected on that platform and we plan to implement that platform. We will work hard with industry and with the provinces to ensure that the job gets done.

A secure agricultural sector means safe, reasonably priced food for Canadians, financial stability for farmers and others in the sector, stewardship of our resource base, and a predictable trade environment.

Economic growth requires that we take advantage of export opportunities, that we promote innovation, that we support market development and reform policies that might tend to impede growth.

In that overall process international trade must be central to any attempt to rebuild the Canadian economy and to broaden our opportunities in agriculture and agri-food. One and a half million Canadian workers—that is one in five—depend directly on exports for their livelihoods. Total two-way trade in goods and services accounts for almost half of our GDP. Only Germany among the Group of Seven countries is more dependent on trade than is Canada.

Given those facts, reaching a new GATT agreement was essential for Canada's future. It is one step on the road to achieving the goals of job creation and economic development.

This government came into the GATT negotiating process as the clock was very close to nearing midnight. There were barely six weeks between the time the cabinet was sworn into office and the GATT deadline date on December 15. But once at the table in Geneva we battled hard to reach the best possible agreement for Canada. My colleague, the Minister for Interna-

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tional Trade, and I made a number of visits to Geneva and Brussels to deliver Canada's message personally to trade negotiators and ministers from other countries. We fought hard and I believe we have a good agreement.

It is true that we did not get everything we wanted in the bargaining process, but we gained much more than we may have given up.

Although much of the focus in this round of the GATT has been on agriculture per se, the agreement over all will benefit all Canadians. It should stimulate the world economy and help create badly needed jobs in our country. The OECD has estimated that the agreement will give the Canadian economy an \$8 billion boost by the year 2002. It is in my opinion a good deal for Canada.

Agriculture, of course, was a major part of this Uruguay round at the GATT. For the first time in the history of GATT we now have an agreement that brings agriculture under effective trading rules. The agreement will reduce the risk of damaging trade actions because rules will apply equally to all countries and countries' specific exemptions will be eliminated. A framework of rules will help to prevent the misuse of things like sanitary and phytosanitary measures as disguised trade barriers.

A strong new international body, the World Trade Organization, will help to resolve trade disputes. Canadian farmers and processors will be less subject to unfair competition resulting from foreign export subsidies. Improved market access in Japan, Korea, Europe and the newly industrialized countries will bring exciting new trade opportunities for Canadian exporters. While the timing of export subsidy cuts is certainly slower in the GATT than we would have wanted, the cuts that were in fact achieved will result in significant subsidy reductions by the end of the six-year period of this new GATT. That should help to stabilize and improve prices in the grains and oilseeds sector of our economy.

• (1020)

While in the bargaining process we found virtually no support in other countries for our strengthened and clarified article XI, our preferred method for safeguarding supply management, we are confident that our supply management systems in Canada can continue to do well under the new concept of comprehensive tariffifications.

The livestock and red meat sector will be winners under the GATT because of greater security of access to markets. Replacing import restrictions, import levies and other trade distorting measures with tariffs will result in additional export opportunities for beef and pork products to Europe, Japan and Korea and over time this will create a more equitable trading environment for Canadian exporters.