

Canada-U.S. Free Trade Agreement

Also, clause 8(2) of Bill C-130 stipulates that "no person shall—do any act, exercise any power or carry on any practice that is inconsistent with or contravenes this Act or any regulation made under this Act, or the Agreement." In other words, this clause stipulates that marketing boards may no longer exercise their present powers if they are contrary to this agreement, for example, by limiting imports. But that is not all! In practice, the policy of controlling agricultural production results in slightly higher prices, as we see for milk, eggs and poultry. So these marketing boards, especially with supply management and limits on imports, make prices a little higher in Canada. In a way, this is the price we pay for greater stability in agricultural production, which protects the family farm and the income of family farm operators.

The sector that will be hardest hit by the agreement is certainly the whole food processing industry.

To survive, that sector will bring pressure to bear on the Government to do away with marketing boards or prevent the creation of new boards, but it will press even harder on governments to prevent quota limits or again the imposition of new import quotas which would reduce imports from the United States. The Canadian processing industry has said on several occasions that if the Canada-U.S. Free Trade Agreement comes into force and if marketing boards and supply management are maintained it will be forced to set up shop in the United States to take advantage of the lower cost of American basic products. Should the food processing industry choose to leave, the related agricultural industries will also disappear. In other words, the FTA will make it even harder to establish marketing boards.

Madam Speaker, the agricultural sector is bound to be hit the hardest, and if that is not in the short term it will be in the medium term because for the processing plants the result of the gradual quota increase will be that the entire organization of production which Canada took 18 years to set up under various governments might be eliminated in the time required to harmonize Canadian and American programs.

That is why I will vote against Bill C-130, Madam Speaker, and I urge all Members from rural ridings, not only in Quebec but throughout Canada, to insist and pressure the Prime Minister (Mr. Mulroney) and the Minister responsible for this Bill so that they secure much tougher guarantees not only for the short term but for the medium term as well.

The other part of the agreement I want to talk about is Chapter 9 of Section 904 dealing with energy and stating that in times of short supply, Canada would be able to limit its exportation of energy products, providing that such export restrictions do not reduce the proportion exported to the United States prior to the imposition of the restriction.

In other words, the energy problem of Canada is subjected to a guarantee as far as exports are concerned, a proportional guarantee which would apply whenever Canada would be forced to reduce its domestic consumption as well as its exports because of short supply.

So, you see, Madam Speaker, we find ourselves in a situation somewhat similar to that of a farmer producing, let's say, 10 sacks of potatoes, and eating 5 sacks a year. Our farmer goes to his neighbour and says, "I have five sacks too many. If you want to buy them, I'll export them." Now, let's assume that the following year, for some reasons, there is a short supply or a drought, and our farmer produces only five sacks of potatoes. Since he himself needs five sacks a year, he would go to his neighbour and tell him, "Sorry, but this year I don't have anything to sell. Because of the short supply, I won't export." But under the agreement, Madam Speaker, in terms of energy products, if I go back to my example, Canada would not be able to reduce the proportion exported due to short supply unless we cut down our own consumption by 50 per cent, in order to sell the other 50% to the United States. For my potato producer, that would mean that although he has only produced five sacks instead of ten and needs five sacks for his family, he would still have to sell two and a half sacks to his neighbour.

That is the meaning of Article 904, Chapter 9, in the Trade Agreement concerning energy shortages. The government maintains that this article is in accordance with the Emergency Oil Sharing System which Canada adhered to in 1974 through the International Energy Agency.

However, a study of the matter reveals that obviously the trade agreement goes much farther than the Emergency Oil Sharing System and differs from it on several points. Firstly, the international agreement signed in 1974 only concerns oil while the Trade Agreement covers as well electricity, natural gas, etc.

Secondly, Madam Speaker, energy products are not the only products involved.

You are indicating to me that my time is up, Madam Speaker. What a pity that, on such an important agreement, we should be held to the 10-minute deadline.

Madam Speaker, I am sure that, if Canadians and, in particular, businessmen like me who agree with the principle of freer trade and farmers for that matter, took the time to read the bill, their perceptions would change radically. The more the people read it, the better they understand it, the more they're against it. That is why the government has chosen to limit the debate because, as we go into details about the bill's provisions, Canadians will realize the seriousness of this agreement and will condemn it in much greater numbers than the polls presently show. I invite people to take a closer look at this agreement and the bill implementing it.

● (2140)

[English]

Mr. Lewis: Madam Speaker, there have been further discussions among the Parties, and I think you would find unanimous consent that all final recorded divisions on Bill C-130 which would normally take place under the rules at 9.45 p.m. tonight would be deferred until 6 p.m. tomorrow evening.