

Supply

Mr. Wise: No way.

Mr. Foster: The 12.5 per cent duty will come off poultry meat and off prepared foods, TV dinners and chicken pot pies. That stuff will roll into the country with markedly reduced tariffs.

Mr. Wise: False.

Mr. Foster: Just read the agreement.

Mr. Mayer: It is false.

Mr. Nelson: We have not seen any agreement yet.

Mr. Foster: The Minister was talking about percentages. The poultry quota has been increased from some 31 to 37 million kilos a year. I said that poultry meat coming into this country would be increased by 20 per cent. The quota for eggs will be increased by four million dozen eggs. The Minister can play around with figures but those are facts. He knows that.

The Minister talked a great deal about supply management. If he wants to be completely forthcoming with the House, with Members of Parliament and Canadians who are under supply management and are benefiting from it, he should table the documents tabled at GATT to show what Canada's position will be at the end of the day with regard to supply management and section 11 of GATT. It is extremely important to Canadians.

We know where the leader is and who the leader is by this agreement. It says that the Government of Canada and the United States will co-operate in these GATT negotiations to remove all subsidies for agricultural commodities. We want to know what kind of a commitment the Government of Canada is making. Is it saying yes to the Americans in Washington who want to get rid of supply management and border controls or not? That is what we want to know.

● (1220)

Hon. John Wise (Minister of Agriculture): Madam Speaker, I appreciate this opportunity to discuss the very important issue before us today. It also gives us a golden opportunity to send a message of accuracy, clarity and realism to the agri-food industry.

I am firmly convinced, and there is no question in my mind at all, that this Government has achieved a very positive deal for Canadian agriculture. The United States is our number one export market. Secure access to that market for our agricultural products is a key to the prosperity of Canadian agriculture. I do not care how you want to cut the cake, that is a fact which cannot be ignored. By negotiating improved access to our biggest market, this Government demonstrated its understanding of the importance of agriculture to our economy.

Canadian agriculture generated more than \$20 billion in cash receipts last year. It accounts, directly and indirectly, for

the jobs of 1.6 million Canadians. While only about 4 per cent of Canadians produce food, one in four, or roughly 25 per cent, are employed directly or indirectly in the Canadian food chain. As well, the industry is responsible for 10 per cent of all economic activity in Canada.

I remind the House that most sectors of our farm economy simply could not survive without trade. Nearly half of our farm cash receipts are earned from export sales. Again, our most important customer by far is the U.S. Sales of farm products to the U.S. account for about one-third of total agri-food exports.

This House will recall that during the past two years Canadian farmers have been increasingly concerned about growing protectionism in the U.S. A lot of people seem to ignore that fact. If you are under the illusion that we are going to enjoy the same type of atmosphere and attitude in the decade ahead that we have enjoyed over the last two decades with the U.S., then you are simply ignoring the facts.

A series of actions taken in the U.S. have been aimed at our exports. One involved restricting entry of hogs and pork to the U.S. It was obvious to the Government of Canada when we entered into these negotiations two years ago that we could no longer afford the luxury of maintaining the status quo in our trade relationship with the U.S., be it in agriculture or anything else. Without this trade deal Canada faced the dismal prospect of deteriorating trade opportunities with our largest trading partner. We now have a proposed deal and it is a good deal for Canadian agriculture.

Canada has obtained future duty-free and more secure access to the U.S. market for all agricultural exports, including meat and livestock, grains and oilseeds, potatoes and other commodities. This Government has delivered on the commitment it made to the farm community since day one. We said our agricultural marketing systems would be retained and that the underpinnings of supply management would remain secure. I was questioned day after day about whether we would keep our commitment. We did.

What did I mean when I referred to underpinnings? Very simple. They come in two parts. One part, of course, is the import-export control list. The other part is the tariff list. However, supply management systems have been maintained and the day-to-day underpinnings required for operation of supply management boards have been maintained. Supply management systems for poultry and eggs have been retained as well. Marginal increases in the level of global import quotas for those commodities have been agreed to. Yet this reflects only the actual average level of imports during the past five years. We have reserved the right to add new poultry products to the import-export list if required.

We have had the critics and the doom and gloomers in this House, and of course there is always a few of them across the country. I hope they take the time and trouble to examine what we have agreed to and how it will positively affect the agri-food industry in the future. This is the position of the