

Oral Questions

Mr. Speaker: Perhaps the Hon. Member could contain his preamble to setting the facts of the question. The Hon. Member for Winnipeg—Fort Garry.

Mr. Axworthy: The Macdonald Royal Commission report explicitly states that agriculture should be exempted from any free trade agreement because of the complexity of merging the supply marketing and subsidy programs. We now have an example of the entire food processing and food development industry in Canada becoming subject to jeopardy. Why does the Government not follow the recommendation of that commission and exempt agriculture from this agreement?

Hon. John Wise (Minister of Agriculture): Mr. Speaker, we did not want it exempt from this agreement because we are interested in growth, and productivity, and financial viability in the future of Canadian agriculture.

The Hon. Member mentions placing the future of the family farm in jeopardy. If anyone placed into jeopardy the well-being of the family farm in Canada it was that Member's Government when it was in office and allowed interest rates to go from 9 per cent to 24 per cent. That was the measure that placed them in jeopardy.

If those Members were that interested in some of the people and some of the farmers in this country who are in financial difficulty, if they really care enough to take a minute to look at them on a case-by-case basis, they would find that, almost without exception, their difficulties trace directly back to that interest rate increase from 9 per cent to 24 per cent when they were in office.

• (1430)

Mr. Speaker: Order. The Hon. Member for Winnipeg—Fort Garry.

Mr. Axworthy: Mr. Speaker, I only remind the House that this is a Minister of Agriculture who is presiding over the largest number of farm bankruptcies in the last 50 years.

EFFECT ON FOOD SUPPLIERS AND PROCESSORS

Hon. Lloyd Axworthy (Winnipeg—Fort Garry): I want to ask the Minister a specific question. In a statement today the Grocery Products Manufacturers Association points out that both the suppliers and producers and the processors of breakfast cereals, yogurt, ice cream, pasta, bread, canned fruits, vegetables, baked goods, frozen meat pies, and soups will all be put in jeopardy because of the free trade deal.

Was the Government not listening to the farmers and processors of these particular ingredients when it signed the free trade agreement? Why was the Minister so deaf to the interests of a \$40 billion industry that is now being put in jeopardy by this deal?

Hon. John Wise (Minister of Agriculture): It is very simple, Mr. Speaker. We were meeting with farmers and all the people

in the agri-food industry, the processors and so on, while the hon. gentleman was reading newspapers.

Some Hon. Members: Oh, oh!

Mr. Wise: The hon. gentleman should realize that we have had the ITAC committee, the International Trade Advisory Committee, the SAGIT committee, the largest on food, agriculture and beverage, the largest SAGIT of all, and that the SAGIT committee voted unanimously to support exactly what we have achieved in this agreement. So we followed the instructions of the SAGIT committee.

The hon. gentleman should realize as well, as it relates to some of the questions in the minds of the processors, that if one looks at the supply management commodities, and one finds this quite often, if they change the label from three to four colours on their package, or from four to five colours, or from two to three colours, they have incurred a greater cost to the product than the entire contents of the can. The hon. gentleman is baffled. If he knew the industry he could follow me very well—

Some Hon. Members: Time.

Mr. Wise: —because it has been estimated that the additional cost—

Some Hon. Members: Order.

Mr. Wise: Well, they do not want to listen. It has been estimated by independent sources that the additional cost—

An Hon. Member: Come on!

Mr. Speaker: I think the Minister has gone on for quite some time.

EFFECT OF AGREEMENT ON ENERGY SECTOR

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources. Today it was learned that some 62 per cent of Canadians believe that the Americans got much more in this deal than did Canada, a figure I am sure will grow the more Canadians learn about it. On October 8 in this House the Minister responsible for International Trade in replying to a question from myself said—and I want to ask the Minister if he, as Minister of Energy, agrees with it—and I quote from page 9820 of *Hansard*:

I can also assure him that any rights the provinces had before this agreement concerning their own policies they will have after this agreement.

She was talking about rights in the energy sector. Does the Minister of Energy, Mines and Resources agree with what the Minister said on October 8?

[*Translation*]

Hon. Marcel Masse (Minister of Energy, Mines and Resources): Mr. Speaker, I am convinced that when Canadians get to understand the free trade agreement with the United