

I believed him, but I also went to Geneva where all these negotiations were going on, to find out for myself. I also went to Rome, to the FAO, and to several other places. I know a few people over there from the days when I was in the government. I cannot thrash this old straw now, but after I had been there a couple of days, it was completely clear to me that we were not — and I underline the word “not” — about to get a strengthening of Article XI. I am not totally blaming our government, because it seems to me there were only about four out of a hundred-odd countries that had an interest and were willing to support us in strengthening the terms and conditions of Article XI.

Senator Murray: One by one, they dropped off.

Senator Olson: Yes, that is what I am saying. I know they did. But I want to tell you why it is important. I do not believe that the way in which we managed our agricultural marketing system under both governments, in terms of eggs, poultry, and milk, was doing any damage to anyone else. We kept it inside Canada. Whenever we had some surplus products to sell, we had to go out into the international market to sell them. One such example is skim milk powder. We had to compete with France and with several other countries that were selling that product. However, our supply system did not damage any other country's marketing system in agricultural products.

We have now come to the place where our party is supporting this agreement. We know you are also supporting it, Senator Lynch-Staunton, because you just said so. You also referred back to all the months that your party was in office and trying to work out the basis for the agreement, and I understand that. In my opinion you were not quite as good negotiators as we would have been. If we had been there, we might have ended up with a little better deal.

Senator Lynch-Staunton: You signed the agreement; but we were negotiating it when we left office.

Senator Olson: That is no great criticism or victory. You told us then that this was the best deal we could get. I remember Senator Murray saying that. “It is the best deal we could get.”

Senator Spivak was defending the interests of the people in her province who are in the sugar industry. That is a perfectly good and proper thing to do. However, I rose to my feet to let you know that they are not the only ones. There are all kinds of other people in Canada who will lose something of value to them through this agreement. I hope their loss will be in the context that it is for the general good of Canada. I am not quite sure how some of the egg producers will get something good out of it, but they will accept it and do the best they can under the circumstances.

I would like honourable senators to know that when agriculture comes asking for something — not that we do it often — we are generally giving up an enormous amount in return.

Hon. Lowell Murray: Honourable senators, I should like to ask my friend Senator Olson a question. First, let me say that I appreciate the concerns he has expressed. I note that those concerns are focussed on one part of one sector, namely the agricultural sector. Does Senator Olson not believe that there are

gains made in other parts of the agricultural sector, and therefore by the agricultural sector as a whole, from the agreement?

Second, I want to ask him to answer the question that I think all of us have to answer on this matter, and that is: Even allowing for the adjustments, and in some cases the severe adjustments, that will have to be made, does he believe, on balance, that this agreement is good for Canada?

Senator Olson: That is easy to answer, honourable senators. My party and I — because I discuss these things with my party — believe that, on balance, this agreement is probably good for Canada. The jury is still out, however, in case the honourable senator wants to know. But we are willing to take a chance. We will try.

In reply to the other part of the honourable senator's question on whether other sectors in agriculture will have a gain: I cannot think of one, but there might be.

I will mention one area where there might be an improvement, and that is in the international grain market. You are aware, of course, of the enhanced exports subsidies employed by both the United States and Europe. Those subsidies have hurt us very badly. I will give you credit: Your government was in office when those Export Enhancement Program, or EEP, payments were brought in, destroying the international market for grain. At that time you did put some money in from the federal treasury to help our farmers over that difficult period. I give you full credit for that. Incidentally, we did the same when we were in the same position. I cannot think of a sector of agriculture that will gain much from this measure.

• (1400)

I have learned from long experience that if it is in the political interest of the United States, be it in North Dakota, Montana, Minnesota or any other part of the country, to make some adjustment, they do it and argue about it afterward. We had a situation like that this summer. Certain agreements were reached, not only under the GATT, but under the FTA with regard to durum wheat. They threatened to stop us. In fact, they gave us formal notice. We were not to ship any more durum wheat except within their quotas. That imposition was not by agreement; they just did it. I know why. Some senators from North Dakota and Montana and members of the House of Representatives insisted that that be done. There is nothing unusual about it. They do it all the time. I have experienced that kind of problem before.

Some honourable senators may know of someone in agriculture who will gain as a result of the passage of these new rules under the GATT. I cannot think of anyone.

Hon. Gerry St. Germain: Honourable senators, I have a question for Senator Olson. It relates to whether he is prepared to make a further commitment to the concerns Senator Spivak has expressed.

It is true that many sectors will lose a bit. However, there is an overall gain. It is a great piece of legislation because it came from our side. As the honourable senator has pointed out, we helped the grain growers, and never did we tell the grain growers how to sell their wheat, as had transpired in the past.