

*Government Orders*

into a hole while we could have fed the starving people of the world with those vegetables.

To support the price of potatoes, our two governments had bought the farmers' production. They deliberately kept the potatoes from being marketed precisely to create scarcity. Sometimes we talk about environmental protection. Well it is certainly not very clever to bury potatoes, and not even make compost, when you think there are millions of people, tens of millions of people who cannot even eat a meal a day. And here, in New Brunswick, three years ago, we buried hundreds and hundreds of thousands of tons of potatoes.

When we talked about supply management, do you not think that a supply management system for potatoes would have been much better? Of course in Quebec, we could produce 25 per cent more milk if we wanted to. But why produce 25 per cent more milk if you cannot sell it?

[English]

**Mr. Ian McClelland (Edmonton Southwest, Ref.):** Mr. Speaker, it is a pleasure to speak in the debate.

I always enjoy the interventions of my hon. colleague from Frontenac. I should point out to him that I believe the potatoes to which he was referring that were buried in Prince Edward Island were not buried to support a price. They were seed potatoes and there was a problem. There was a potential for disease and in order to protect the integrity of Prince Edward Island seed potatoes, which is among the highest in the world, it was determined that it would be best to do away with the potatoes. It was not a question of price fixing.

• (1330)

I also thought this might be the crowning glory and achievement of the Bloc. We have heard a lot of statements from the Bloc in this House from time to time, some statements more or less preposterous than others. I have to tell you when the hon. member for Frontenac said that we have to protect supply management because the farmers in Quebec worked harder than any other farmers, I mean that was it. How does he know? I really do believe that farmers as people and business persons in our country do work very long hours, but don't we all? I really do not think the farmers in Quebec work any harder than the farmers anywhere else in the country.

**An hon. member:** How can you know?

**Mr. McClelland:** Obviously I cannot know. I just do not think that is one contest we need to get into. This debate has been most enlightening today because we have an interesting separation.

We are talking about whether or not Canada should sign into the World Trade Organization. The actual title of this bill is the World Trade Organization Agreement Implementation Act. It is at the second reading stage. We support this bill.

There is a truism about being competitive: If you do not compete, you cannot be competitive. Therefore we have to have within our psyche the desire to compete and to be competitive. That is the dichotomy which has come in this debate thus far today. There are members of the Bloc who are by and large supportive of the notion of free trade and expanded trade, but with a severe reservation because of its impact on supply management.

It is fair to say that as a result of the implementation of the GATT agreement supply management will have seen the last of its days in Canada. Let there be no mistake: Supply management is price fixing. If it was supply management of photo finishing, it would be called price fixing. If it was supply management of shoe manufacturing, it would be called price fixing.

Supply management creates a situation whereby a limited number of producers have access to the market exclusive of anyone else. They are thereby provided a guaranteed return on their investment. What happens of course as a result of that is that everybody else who makes a living based on that investment also has a guaranteed return on their investment, the feed suppliers, the implement suppliers, everyone down the line. You know who gets it in the neck? Mr. and Mrs. Joe Consumer in the land.

If we want a situation where we are going to have industries which are non-competitive, where we are going to have winners and losers in society picked not by the marketplace but by the government, then supply management is a textbook illustration on how to do it. Therefore, one of the main beneficial and most important things that will come as a result of signing this agreement will be the ordered timely end of supply management.

This whole exercise as many people know started in 1944. It was called the Bretton Woods agreement. It was determined that at the conclusion of the second world war it might not be a bad idea if the nations of the world figured out some sort of an arrangement whereby they could learn to trade with each other under certain rules and conditions that might help to prevent future wars. That was essentially the reason behind the United Nations and the Bretton Woods agreement.

Three major decisions were reached at Bretton Woods in 1944. They were the International Monetary Fund, the International Bank for Reconstruction and Development, and the International Trade Organization.

The International Trade Organization did not really get off the ground but the successor, which is the GATT, did. To most people GATT is an obscure term. It stands for General Agreement on Tariffs and Trade. It really has a tremendous impact on the lives of all Canadians daily. It is not just an obscure international agreement that we are signing. It is an agreement that will fundamentally change the way we function as a nation.