

Government Orders

would fit into the irreversible evolution of international economic rules.

I can assure the minister that he will find in Quebec negotiators just as enthusiastic and determined as he is in supporting openness, stability and economic growth, something which would be mutually profitable.

Today, thanks to this bill, we were able to discuss GATT. I can say that we are just as prepared and willing to discuss possible negotiations with regard to free trade, the auto pact and all the other commercial rules that bind Quebec and Canada.

• (1130)

[English]

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I listened with great interest to the comments by the hon. member from the Bloc about a potential trade relationship between Canada and Quebec as a result of a Quebec separation.

The hon. member has the perfect right to ask these questions even in a hypothetical situation in this Parliament. It is part of the longstanding plan to make what is unacceptable acceptable. If they talk about it long enough they will just wear us down and we will accept it as fact.

However, I would like to pose to my colleague the following scenario. Other Bloc speakers have addressed the importance of supply managed industries, particularly the dairy industry, to Quebec. As a matter of fact, with 25 per cent of the population Quebec industrial milk supplies almost 50 per cent of Canada's total needs.

In a sovereign Quebec competing on a worldwide basis for these fundamental products, what does my colleague think would happen to that quota in the rest of Canada? Does my hon. colleague think for one moment that consumers in the rest of the country would continue to pay a premium price for supply managed or priced fixed products?

Supply management is a euphemism depending upon whether you benefit from it or pay a premium for it. If you benefit from supply management it is great. If you happen to be a consumer it is price fixing. Supply management and price fixing depend upon which side of the equation you are on.

Sooner or later Quebec will not have the benefit of supply managed or price protected industries. Quebec will have to compete on a worldwide basis. Would the hon. member please respond to the core question. With a sovereign and separate Quebec does he think that the rest of the country will continue to buy Quebec products at a premium price?

[Translation]

Mr. Tremblay: Mr. Speaker, I thank the member for Edmonton Southwest for his comments and question. Of course, you can approach this debate on the general principle armed with technical data, but we will have an opportunity later on, in committee and at third reading, to talk about the more technical details, especially the GATT provisions regarding this issue. Canada cannot unilaterally change existing or agreed upon rules. We will have an opportunity to discuss this some other time.

In general, in Canada, we have a whole series of protected industries, although to a lesser degree than previously. The member may know that because of subsidies, transportation costs between Ontario and the maritimes are much lower than between Montreal and Louiseville, which is only 30 kilometres away. Subsidies are going to be decreasing because they will no longer be allowed on the world market in which we must compete.

The member also knows that for the past few years, it has cost billions of dollars to support grain producers and that in view of the present financial situation, it will soon no longer be possible to provide the same level of support. Trade negotiations are aimed at reducing grain subsidies in all the countries.

The same is true of production quotas. We are aware of it; indeed, it is planned under the GATT agreement. Nothing comes as a surprise. The GATT agreement provides for quotas to be replaced by tariffs which will gradually decrease.

What you are saying is that should Quebec become politically sovereign, Canada could unilaterally decide to speed up the reduction of tariffs, which is already provided for under the GATT agreements. My answer is that we have the GATT rules. You can always try it; we will see what happens during the GATT negotiations, unless Canada wants to withdraw from GATT and isolate itself from the rest of the world. The rules are there. Of course, farmers will have to adapt.

• (1135)

You know what the problem is. Assistance to help farmers adapt is completely ineffective.

I can tell you that last week the Bloc Quebecois met with the president and the executive director of Quebec's Union des producteurs agricoles. The executive director is a well known economist who has, on a number of occasions, advised the American government on agricultural issues and who knows the agricultural side of international trade very well. He is quite prepared to deal with the realities of GATT and the international scene and is aware that agriculture in Quebec will have to adapt, as it has in other countries.

As I am sure you know, the GATT agreements provide for a certain number of stages and, within a certain number of years,