

their constituents. This free trade deal, so they say, is the greatest trade agreement ever signed in the history of humanity. It is therefore a major issue, one that all Members will want to discuss.

Madam Speaker, in 1983, someone said, and I quote: "Sleeping with an elephant may be exciting until the elephant starts to move. If the elephant turns around, you are a dead man." And that same person said also: "That is why the issue of free trade was decided the way it was in the 1911 election. This would affect our Canadian sovereignty, which would no longer exist, even during leadership campaigns or in similar circumstances."

Do you know who said that, Madam Speaker? Well, if you hadn't guessed, it was the present Prime Minister when he was campaigning for the leadership of the Progressive Conservative Party of Canada. Hard to believe, isn't it, that this Prime Minister who almost always tells us the truth, could have made such a statement and then change his mind and go back on his word. Nevertheless, it is true the present Prime Minister made the statement and then changed his mind when on March 17, 1985, he sang *When Irish Eyes Are Smiling* with the President of United States, a song that did irreparable harm to my television set. It has never been the same since.

In any case, I have to say, Madam Speaker . . . I am looking at the Conservative Member opposite, and I will try to slow down so he will be able to understand as well. I am going to talk about what many Canadians have said about this Free Trade Agreement.

I have here a brief that was submitted to all Members in October 1986 by the Canadian Federation of Milk Producers. I will quote a passage from this brief, in which the Federation said as follows: "In this statement, the Federation wishes to reiterate its firm conviction that dismantling or disrupting any of our existing policies and programs, including the program for milk supply management, would be totally unacceptable". And what happened, Madam Speaker? As we all know, the supply management system has three main components: production quotas, quantitative import restrictions and tariff barriers. Those are the three pillars of our supply management system.

As all farmers who are listening and watching today will know, when you have a three-legged milk stool and you take away one of the legs, chances are it will fall over. And in the Free Trade Agreement, one of the three legs has been partly dismantled. I am of course referring to the tariff barriers that have been eliminated. In our milk supply management system, for instance, we had tariffs on yogurt and ice cream imports. And if anyone thinks the production of ice cream is negligible, 4.6 million hectolitres of milk are used annually to make ice cream, and a little less than half a million hectolitres to make yogurt. Which means that a considerable amount of industrial milk is used in the process. By dismantling tariff barriers, about 5 per cent of Canada's dairy industry will suffer a certain amount of damage.

Supply

It is true we have not abolished the quota system. It is true we have not abolished our import quotas. But it is not true to say our dairy industry has come out of this unscathed. That is false, because damage has been done as a result of the step taken by the Conservative Government.

● (1710)

[English]

Other areas of agriculture have been affected, and in far greater measure. For instance, the poultry sector has not only had tariff barriers removed, as did supply management in milk, imports from the United States will be increased from 31 million kilograms to 37 million kilograms. In other words, we have given them the right to increase their exports to us by 20 per cent.

Mr. Caldwell: That is not so.

Mr. Boudria: The Member opposite indicates that that is not so. It is so. That information was given to Members of the House, including myself, by Mike Gifford, who was briefing us on behalf of the Minister of Agriculture (Mr. Wise).

Mr. Caldwell: Say what he said, then.

Mr. Boudria: The Member opposite may say that they used the last five years of what was being sent to this country when there were temporary shortages of supply, averaged it out, and increased their amounts by a similar amount. Although that would be technically correct, what should be remembered is that supply management in chicken is organized in such a way that there will always be shortages so that future shortages will be in addition to that six million kilograms we already let them have for nothing.

If that was not bad enough, instead of using a cumulative average over the last five years, they took a constant of the five years prior to the agreement being signed. That included the year 1984, which had a large amount of imports into Canada, and goes to a further disadvantage in the system. I challenge the Hon. Member opposite to deny that that is the case. In other words, had we used a rolling average, we would eventually have got rid of that 1984 year. That was overlooked by the negotiators, unfortunately, or it was unacceptable to the Americans. Either way, I can assure you, Madam Speaker, that it has caused damage to the Canadian agriculture industry.

I have here a press release from the Canadian Chicken Marketing Agency. I would like to read just one line from the press release. It is dated October 7, 1987, just two days after the announcement of the free trade agreement. It says in part:

We do not agree however that the chicken industry should be undermined by eliminating one of its very necessary underpinnings—tariffs. We will be working diligently in the months ahead to see if some accommodations can be made to the deal in order to ensure that our industry is preserved to the benefit of all Canadians.