

attempted in respect of yoghurt and ice-cream, about which there was such a hullabaloo in the UPA and by Mr. Page in Quebec, the Americans immediately objected and instituted an action against Canada before the GATT.

The Government has now agreed to join in an application before the GATT to remove all farm subsidies.

To the Americans, supply management and marketing boards constitute subsidies. As a result, even in respect of those products which pass between the two countries freely now, beef and pork, problems abound.

The Americans, under their omnibus Trade Bill, moved to provide a countervail mechanism that will apply to pork as well as to live hogs, in total contravention of any understanding, any interpretation that one could put on the free trade arrangement.

I believe that we are facing a terrible situation in the agricultural sector as a result of the Free Trade Agreement. I believe that any Government that gives up its ability to be self-sufficient in terms of the country's food supply, to the extent that that is possible—admittedly, northern countries such as Canada cannot be totally independent—follows a foolish course of action. To embark upon a course that would lead to the dismantling of the Canadian Wheat Board and the farm products marketing system is foolish indeed. To sacrifice these bodies for the sake of a free trade deal with the U.S. is total folly.

I believe that the Canadian Government, in the long haul, will have to withdraw from the arrangements now in place in Canada in respect of food production, leading to a devastating impact on our agriculture industries.

I thank Hon. Members for their attention.

• (1550)

**Hon. Barbara McDougall (Minister of Employment and Immigration):** Mr. Speaker, we have come through an election, a unique democratic exercise, which saw a stimulating, free-flowing exchange about free trade and its impact on Canadians in the future. What has been communicated, in my opinion, is a national expression of our commitment to preserve the essential elements of our life in Canada, with a determination to embrace new challenges to enhance that standard, which I believe is second to none.

It is encouraging to contrast today's spirit of co-operation and growth with the insular pessimism of the 1930s when international trade barriers closed markets,

reduced production and slashed employment. That is a terrible memory for many Canadians, and in the intervening years we have gone back to our roots as traders, the reason for the founding of our country, to look outward rather than inward, and to seek markets beyond our border for the benefit of all Canada.

[*Translation*]

The closer we get to the turn of the century, the more our prosperity will depend on international trade. Right now in Canada one job out of three and close to 30 per cent of our gross domestic product are tied in with our foreign trade, and these figures can only go up. As trade exchanges have grown more dynamic, adjustment in one form or another has become ever more a way of life for Canadians. Both small and large companies constantly renew their products and their production systems to remain competitive. Workers as well understand that they will be trailing behind if they fail to recycle themselves.

[*English*]

Change is intimidating to many Canadians. Most people like to see the status quo and they like to know that at the end of the day the world is the same as it was at the beginning. However, the world is not like that. It changes imperceptibly every single day. While change can be intimidating, it is clearly an opportunity. I do not know that I would be in this House today if I buried myself away from the unmistakable realities of the world we live in, and the change and turmoil that creates opportunities.

A lot has been said and written about "adjustment" over the past few months, as though it were something new. It is not. "Adjustment" is not a mystery, neither is it something to fear. Trade adjustments cannot be exclusively isolated from other adjustments in our labour market or any other. Technological change, the growing importance of women in the workforce, labour-management relations, new environmental standards, these factors and many others affect the workplace and they all involve and require some adjustment.

Our labour market is clearly in a state of constant change. Individual Canadians understand this. They understand that work patterns, skill demands and training needs are radically different from those a few years ago. There are some 5.2 million job changes every year in Canada. Given that environment, it is essential that the federal Government respond to and anticipate changing demands, including but not confined to those generated by free trade.