Supply

who wants to build a big hog processing plant in North Battleford, have kidded themselves into thinking that the United States will hold still while Canada increases its share of the live and dressed hog market and pork products market in the United States. Do they think that the American hog producers and processors will hold still for that? They shouldn't kid the troops. If one believes that then one believes in the tooth fairy.

At the moment there is another constitutional matter to consider. I refer to the individual states—all 50 of them—which can prohibit a commodity from entering a certain state, mostly on health reasons, but there are others. For example, South Dakota still prohibits Canadian hogs from entering that state. For some time there were about five or six midwestern states which had hog prohibitions against our country. Who do these people think they can kid when we consider their constitutional prerogatives, and our supine acquiescence with the United States?

I would now like to refer to something else which is normally forgotten by the Government. Mr. Reagan received a tie vote in the Senate committee on the fast track on free trade. He received it only because he sent a letter to Senator Packwood which reassured the Senate, and that Senate committee, that there would be no denigration or reduction in the constitutional right of the United States Senate either to ratify or to order countervailing duties. There will be no change in that respect, and we can bet that there never will be.

It is merely a dream to consider achieving some type of broad free trade agreement with the United States and to believe that every year the Americans will not impose a countervail duty or close off any commodity market on which they think their own producers, processors or manufacturers need protection. Historically, that has been their record, and it will continue to be their record.

The question then is: What do we do instead? As we have done not only with the United States but with many other countries, I suggest we negotiate an agreement. We should negotiate a three-year, five-year or ten-year agreement, commodity by commodity, or groups of commodities, and I will use grain as an example. As we have done with many of our customers, we have negotiated contracts inclusive of minimum and maximum amounts. They can be negotiated year-to-year with respect to what the range should be between the minimum and maximum amount of exports to a certain country. I think of China and the Soviet Union in particular.

A minimum and maximum price are negotiated, and the price is negotiated each year between the floor and the ceiling. This is what we can do with the United States. It seems to me this is the only way we can do it. Then we will have a chance, for example in a ten-year contract, say in the lumber industry, to negotiate within that framework. Then our producers will know where they stand each year. They will know how to plan their production. This can be applied to any sector of the economy.

These types of deals should not be only with the United States. We have to quit putting all our eggs in one basket. Most of our eggs used to be in the Great Britain basket. I ask Hon. Members to look at what happened in that case. We lost almost all of it following the Second World War. These types of arrangements must also be made with Mexico, the Caribbean countries and Central America, especially in terms of fresh fruit and vegetables. These countries desperately need our purebred breeding stock, both dairy and beef. They desperately need expertise and technical assistance for agriculture. They desperately need hard currency. They are poor countries.

• (1550)

Hon. Members should go to Mexico to see the vegetables that are produced there. I visited three markets in Mexico City and saw beautiful vegetables there. The tomatoes were the size of cantaloupes. Why should we not have a three-year or five-year deal with Mexico amounting to \$300 million to \$700 million per year on vegetables? My wife is getting sick and tired of paying three bucks a head in February for cauliflower that was grown in Arizona or California and controlled by a multinational food company from the farm right through to the retail store in Regina. The situation is the same with fruit.

We can deal with a host of countries. It seems to me that that is the wiser course to follow. We would not be limited to one major market. We would not be dependent on the health of one country's economy. We would not be dependent upon the patronizing goodwill of a United States administration, be it Republican or Democrat, and we would not be subject to interference with our sovereignty by our big and powerful neighbour.

The Acting Speaker (Mr. Paproski): Questions or comments? If there are no questions or comments, debate.

Hon. Herb Gray (Windsor West): Mr. Speaker, earlier today when the Minister for International Trade (Miss Carney) spoke, she said that Opposition attacks on the Government's free trade policy were "negative, negative, negative". After hearing her speech, I think it is clear that what she had to say was empty, empty, empty.

The Conservative initiative to get a comprehensive free trade agreement between Canada and the United States is clearly an ill-advised and perilous undertaking. This centrepiece of Conservative Government economic and foreign policy will undermine our sovereignty and our ability to protect and enhance the cultural, social and economic well-being of Canadians. That is why we oppose the Prime Minister's initiative and that is why every day more and more Canadians say that this initiative must not be allowed to go ahead.

The Liberal approach to trade is to implement policies designed to secure and expand Canadian export markets throughout the global economy through the GATT framework. The Government speaks of following a two-track policy: