

*Oral Questions***GENERAL AGREEMENT ON TARIFFS AND TRADE***[Translation]*

**Hon. Audrey McLaughlin (Yukon):** Mr. Speaker, my question is for the Prime Minister.

There is increasing concern on the part of Canadian farmers and food producers that this government is letting down our farmers and producers at the current GATT negotiations.

The industry estimates that 100,000 Canadians will lose their jobs if the government signs a GATT deal that does not protect the Canadian supply marketing board system. For those 100,000 Canadians who could lose their jobs, in financial terms alone it would mean \$243,000 a week in unemployment insurance. That is \$12.5 million next year.

Is the Prime Minister prepared to sign such a deal and, if he is prepared to sign it, where will the extra funding for unemployment insurance come from? From a higher deficit or higher taxes?

**Hon. Bill McKnight (Minister of Agriculture):** Mr. Speaker, as the hon. member is aware, the position put forward by the Government of Canada in the GATT negotiations was a position derived from consultation with the stakeholders, those very producers she is talking about.

Our position is to have GATT clarify and strengthen article XI. That was the position the supply management industries gave to the Government of Canada. That is our position today.

The hon. member also knows, as do the supply management industries, that under the existing GATT agreement and article XI they are very vulnerable. We as a government have taken their suggestion and we are putting forward their position.

That is the position of the Government of Canada and we will continue to work for it.

• (1430)

**Hon. Audrey McLaughlin (Yukon):** Mr. Speaker, I understand the Government of Canada is trying to get a clarification but it seems to me the message coming clearly the last few days and weeks is that the government is not strong in its position and is presenting other alternatives. I want to ask the minister—

Did the government study the impact of this proposal? If not, how can it think of signing such an agreement without knowing what its impact will be? If so, why not share this information with the farmers and the House of Commons?

**Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)):** Mr. Speaker, I had the opportunity personally to meet farm leaders, particularly from Quebec, two or three times since December 20. The UPA in particular asked us to share with them figures on the impact of the Dunkel report.

Of course, our government did not change its position at GATT one iota, Mr. Speaker. We continue to advocate zealously that article XI be clarified and strengthened. Nevertheless, it is very important that, at the farmers' request, we do check on all the ramifications of the report so that we can defend them properly in Geneva.

**Hon. Audrey McLaughlin (Yukon):** I have a supplementary question for the minister, Mr. Speaker. I am sure that Quebec farmers are very concerned because if article XI of GATT goes through, 30,000 milk producers may be out of work.

*[English]*

At the end of the day, Mr. Speaker, the government will have to sign or not sign a deal. We need to have good negotiators there. There are people in Canada who believe if we lose the supply management system through a GATT deal, this deal will do the same to rural Canada as the trade deal has done to urban Canada and we do not want to see that happen.

I want to ask the Prime Minister what he is prepared to do for the 100,000 Canadians who could lose their jobs if we do not stand up for Canadian farmers and producers in this GATT negotiation.

**Hon. Bill McKnight (Minister of Agriculture):** Mr. Speaker, as the hon. member is aware, one of the important aspects of supply management is the quota. The quota those people have is derived from the revenue they received from a supply managed industry. What I have just seen and what I have just heard is certainly one of the most damaging statements ever made by a political leader and will bring down the quota value for those very producers that she is talking about supporting.