

Trade Negotiations With Britain

(b) separate category for selected malting barley so that any levy on this product will not be set by lower priced feed barley;

(c) separate category for denatured feed wheat so that any levy on milling grades would not be based on low prices of feed wheat;

(d) separate category for flour for animal feeding purposes in order to avoid the possibility that any levy on baking flour would be based on low-priced feed flour.

Despite these important improvements and the assurances we have received, the Canadian government has indicated to the U.K. that the move to a levy system in a sector of trade which is so important to Canada is a matter of serious concern. This relates not only to the possible direct impact for Canadian trade but also to the implications for efforts to liberalize international trade in agricultural products and minimize adverse effects of EEC enlargement on outside suppliers of farm products. We shall, therefore, be keeping the developments of our cereals trade with Britain under close review in the light of the undertakings we have obtained.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, on a first glance at the statement one must come to the conclusion that the ramifications of Britain's entry into the European Common Market will be very great. Thus it would seem logical that there should be a great deal of consultation between the governments of Canada and the United Kingdom in which all sectors of the Canadian economy must be involved. Those concerned with agricultural products, as well as those concerned with other commodities, must be given full information at all times. Certainly one would want to have the views of the opposition parties in the House. To this end I suggest that an item in the estimates might be brought before the House in order that this matter may be fully debated and members of the opposition may have an opportunity to put forward their views. This should be done so that, without any intention of hindering Britain in its efforts, Canadians may fully appreciate some of the problems facing that country and so that we may have the opportunity to present our views as to the approach we think should be taken by Canada.

I note that, according to a survey taken in Britain, approximately 70 per cent of the people there are not interested in Britain entering the European Common Market at the moment. This percentage may change as a result of negotiation. In view of the fact that we are willing to co-operate with Great Britain by relaxing some of our existing agreements in order to facilitate her negotiations, I hope Britain will be mindful of our position. Should she become a partner in the European Common Market, I hope her influence will be such that some of the existing barriers to trade will be broken down. I refer particularly to the use of subsidies by European Common Market countries, some of which are greater than the total price we receive for our products at the moment.

Without making further comment, I hope that the government will provide additional information later and

[Mr. Lang.]

give hon. members the fullest opportunity to explore the possible ramifications of this latest move.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, the fact that the whole trade picture for grain is still going to be kept under review, that there is a possibility of returning to the tariff system from the levy system, and that negotiations may continue simply underwrites the uncertainty that we face in this very important area of trade. This flows directly from the failure of the Kennedy Round and the GATT negotiations to reach a satisfactory agreement with the Common Market on trade in farm products, cereal grains in particular. This is the fundamental point. Britain is merely adjusting to these circumstances. We are trying to adjust our trade to what Britain is doing.

The volume of our wheat sales to England has declined steadily in recent years. We have no assurance from the minister that this trend will not continue. We have no assurance from him that as a result of these lengthy negotiations we can be sure of an open entry to the British market and of not only maintaining our present trade in grain but increasing it.

It is time that the government made a clear statement to the House as to the position we are going to occupy with regard to cereal grains and whether we can expect to maintain our present volume of exports to England and to the Common Market. I wonder whether the government has explored the possibility of an associate status for Canada or are we going to find ourselves increasingly shut out of the Common Market? Are we going to lose access to that important market on an increasing scale?

The government should clarify its policy on this matter and also clarify how we are going to maintain our markets. We want answers. The report on the negotiations which the minister has just made to the House does not answer these very important questions.

[Translation]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I also believe that more information should be given to the House when there are changes in the field of exports or imports. We are convinced, however, that agriculture remains the basis of the economic structure of any society, including ours.

We must admit that the economic situation is changing around the world. With regard to exports and imports, we have noted that, for several years now, India and other countries, who used to purchase part of our wheat production, have become exporting countries.

We understand that circumstances change, and that we must adapt to them, but nevertheless the minister in charge of wheat or grain sales to other countries should always keep the House well informed of the situation facing our wheat and grain producers.

I urge the minister to keep us in future more promptly informed of such matters than he does at present.

In any case, we hope our trade with England and other countries increases in such a way as to permit us adequately to promote Canadian agriculture.