

position that was developed by the government in co-operation and on the advice of the stakeholders, the producers, and the provinces which also have an important role in supporting the supply managed sector of our economy in Canada that has benefited agriculture over the years.

• (1550)

Between now and March 1 negotiations will proceed on four tracks. Discussions on any changes in the package will take place at the trade negotiating committee.

I know that people want to be realistic and realistically any changes would have to be agreed upon by nations before they would be taken to the committee. Mr. Dunkel has said he will hear the proposals but there had better be agreement before coming into the room.

There is no longer a table that countries will work at. They will work individually with other nations of the world in an attempt to make their point understood and have it accepted.

There will be legal drafting that will take place to clean up some inconsistencies in the draft text, but that will be done without changing the balance of the text and the market access negotiations on services will develop schedules of initial commitments that will be tabled.

The market access negotiations on goods will develop schedules for market access concessions as well as the commitments on export subsidies and internal support for agriculture.

There is no doubt, Mr. Speaker, since the 13 of January there have been intense negotiations among our trading partners and that will intensify once those schedules are tabled.

Having expressed what we object to in the Dunkel text, there are areas of considerable promise for establishing a freer, more stable and less distorted agriculture trading community. The draft agreement would indeed provide an improved and more secure access into foreign markets. As well the U.S. section 22 import waiver which has been a temporary waiver in place for almost 40 years, as I

Supply

understand it, and the EC variable import levies would be removed. They would be as the text is written today converted to tariffs.

There is no doubt that the Dunkel proposals would allow for a better and more secure access for Canadian exports to foreign markets but the multilateral trade rules under which we in Canada benefit would be strengthened and would apply equally to all countries. That is an important point.

The agreement also defines non-trade distorting assistance or programs which governments can use to support farm incomes. That is a very important aspect in itself, but more important, once those programs are identified as being green in GATT terminology, they would not be subject to countervail. That is of particular importance to Canada because, as you know, in the agrifood industry we have to continue to have access to law in order to prosper. There has to be an end to the trade war.

Therefore, Canada like other members of GATT would have to adjust some of its support programs in order to implement the GATT proposal.

Ms. Copps: Shame.

Mr. McKnight: I am pleased to honour the member from the Liberal Party into the debate. She cries "Shame".

Canada will have to adjust some of its support programs because it does not seem consistent with logic that you would say to other countries there are areas that we want you to reduce, that you subsidize and you distort trade, and in Canada we ask that we be able to allow to continue to subsidize and distort trade.

I say adjust because we are talking here, Mr. Speaker, about the export side of the agreement. When we take a look at the trade distorting subsidies, there would be a levelling of opportunity for support.

Support can be given to agriculture in the green category. It means that we will have to work to design programs that do not distort international trade, and indeed,—

Ms. Copps: We don't distort agricultural trade.