

Supply

\$1 billion for western oilseeds and rye, and an additional \$1 billion for eastern corn and small grains and soya bean producers. That totals approximately \$4 billion in damage this coming year, to which the Government has responded with a \$1 billion package. Let us consider the damage to the dairy industry, which is very important to her riding, if full free trade in agricultural products results from these talks. Professor Warley, a well-known and rather conservative-type of economist, has estimated that fluid milk producers can expect a 20 per cent to 40 per cent reduction in price if Canadian prices have to be harmonized with U.S. levels. There would be a \$1.5 billion loss in quota values. Industrial milk producers would have to deal with a 20 per cent loss in price and a loss of quota value of \$3.5 billion.

In light of that, can she explain why she supports initiating this kind of discussion with the Americans when the effect is going to be so devastating on one other aspect of agriculture in this country?

[*Translation*]

Mrs. Bourgault: Mr. Speaker, right now we don't know, because talks are in progress. Farmers in my riding bring up the subject every time we meet. They are concerned about the possible impact of free trade, because they say the Americans are going to invade the industry. I am not so sure about that, Mr. Speaker. What about the *status quo*? Canada is an exporting country. We need markets. Today, throughout the world and not just here, there is an incredible surplus in agricultural products. Our Prime Minister has to find us a place where we can sell those products we know how to make so well in Canada.

I am not so sure that talks with the United States would be a disaster. But these talks have to start first, and I think it is too early to speculate on the outcome. As a Government Member, I will be the first to stand up for the interests of my farmers, when the time comes to say yes or no to lowering trade barriers with the United States in the agricultural sector.

The Minister says so and the Prime Minister too. Right now, we are engaged in consultations. We are trying to see what the impact will be of this new openness, and eventually, we will.

Mr. Speaker, the Hon. Member said that we have given—he said very specifically that our Government has made a commitment to Western farmers. We have brought in the money. Now, with the treasury we were left by the Liberals, we can hardly be expected to work miracles, but we did our best, and Western farmers and Eastern farmers as well received the benefits.

[*English*]

The Acting Speaker (Mr. Paproski): Questions or comments? Debate.

Mr. Nelson A. Riis (Kamloops—Shuswap): Mr. Speaker, my comments this afternoon will be very short. I am by and large in support of the very thoughtful motion put forward by my hon. friend from Essex—Windsor. I am pleased to say I

had the opportunity to second this motion and I think its importance requires it to be read to Members of the House once again, so I will simply say:

That this House condemns the government for confusion, lack of direction, and secrecy in its trade policy, and specifically, condemns:

1. the misguided efforts of the Minister of International Trade to present a unilateral proposal to the United States which undercut the Canadian position before the Commerce Department's lumber countervail decision;
2. the weak and contradictory response of the same Minister to that lumber decision, by which she has neglected firm Canadian action and possibilities and used mere rhetoric and legal appeals within the very U.S. system of countervail she criticizes;
3. the failure of the Canadian Government to eliminate the damaging trade effects of the U.S. Farm Bill which hurts so many Canadian farmers;
4. the weakness of the Canadian Government in its response to the customs surtax and the differential U.S. tax on imported as opposed to domestic oil;
5. the way in which this government's free trade talks with the U.S. have made Canada a target of U.S. countervail and congressional action rather than helping this country escape such actions;
6. the lower priority given by this government to GATT negotiations rather than to comprehensive bilateral talks with the U.S.; and
7. the failure of this government realistically to assess the massive constitutional roadblocks in the way of a truly fair bilateral agreement between Canada and the U.S.

● (1640)

I am sure that the people of Canada who are watching the debate today are feeling increasingly more perplexed and confused as they listen to members of the Government refer to these talks. As I have been sitting here, the talks which are ongoing with the United States have been called free trade talks, enhanced trade talks, enhanced bilateral trading agreements, the freer trade option, the comprehensive trade agreement and expanded trade with the United States. What is this free trade discussion?

Some Hon. Members: All of the above.

Mr. Riis: I believe that my friends opposite choose the definition to meet their particular bias. People listening to this debate must be shaking their heads. The Member for Mission—Port Moody (Mr. St. Germain) said that we are really trying to negotiate "good trade". Well, who is not trying to negotiate "good trade"? We have confidence in the ability of Canadian manufacturers, industrialists, businessmen and entrepreneurs to compete internationally. This has been proven time and again in telecommunications, transportation and high fashion, to name only a few. I could go on and on. Canadians have demonstrated that they have the ability to compete internationally. They had the ability to carve out 30 per cent of the American softwood lumber market through aggressive marketing, doing a good job at home, modernizing their sawmills and having hard-working employees and sophisticated marketing strategies. We have done very well.

Mr. McDermid: And have the tables turned on them.

Mr. Riis: As my friend, the Parliamentary Secretary to the Minister of International Trade (Mr. McDermid) says, and