

*Government Orders*

there was no provision made in the FTA to protect those commodities.

That is why producers are very concerned. They know that the FTA exposed them. They know that the government lost all of its bargaining power in the GATT negotiations. Because the Americans had already gained access, why would they negotiate very hard or at all in those GATT negotiations?

That is why our position has been so weakened in those GATT negotiations. It is because the Americans already have access under the ice cream and yoghurt decision for processed dairy products. They could easily go back and get similar decisions for skim milk powder, butter, cheese or other commodities or poultry products.

There is very great concern not only that the government has sold out in the FTA, but that the ice cream and yoghurt decision really weakened Canada's bargaining power with the United States which after all is a big player.

It was not surprising three or four months ago when the chief negotiator for Canada announced that Canada had lost support. Where there were six countries supporting supply management a year ago, by January or by October last year it was down to only one or two. It is just one step after another that has been a relentless move toward tariffication. That is the American proposal which helps them but would destroy our supply management system.

There is very great concern as to whether the government really has any clout or any bargaining power at all. It is strange that the Prime Minister in New York back in 1987 said that the United States trade law could not apply to Canada and he would make sure that happened.

Of course he did not get it in the FTA. The FTA leaves our producers of steel, forest products, hogs, Durum wheat or whatever open to United States countervail duty.

• (1540)

It is interesting that in the North American free trade agreement, the government did not go back and try to get those things. It is amazing that after the experience we have had with the constant harassment of anti-dumping and countervail duties, that it did not go back and

correct that and get a subsidy code and an anti-dumping code put in. Every other international free trade agreement in the world has them. Yet for some reason or another apparently the government did not even try.

Why did the government not say to the Mexicans: "Look, we really got taken on the FTA. Let us combine our forces and get an anti-dumping code. Let us combine our forces and get a countervail duty code. If we have support programs then we will know exactly what support program is going to be subject to U.S. countervail duty and how to handle anti-dumping activity by United States corporations". Yet we look at the NAFTA and all that is there.

That is exactly why we argued in the 1988 general election that the government is better off to negotiate in the GATT. There is over-all support from 108, 110 or 120 nations and the United States is not a country with 10 times the economic power that Canada has or maybe 20 times the economic power that the Mexicans have.

Clearly it cannot be argued that somehow or another, the government got mixed up and did not know what it was not getting in the free trade deal in the fall of 1987. Clearly it knew it was not getting anything in that regard.

It is even worse when it comes back with a NAFTA deal in the fall of 1992. Here is another deal where it did not make any arrangements. Fortunately the Clinton administration is concerned about some of the other things we did not get, things like environmental and labour standards. Of course Canada gave up its energy provisions which Mexico got. We did not stick for those same energy arrangements.

One has to ask what kind of negotiators we have. Our whole supply management system is in a turmoil and very concerned about what is going to happen in the future. Our food processing industry, the second largest industry in the country, is very concerned. Over 100 plants have been closed or have moved to the United States. Some 34,000 jobs have been lost in that processing industry, much of that due to the FTA and the move by the United States to take over those sectors.

It is most unfortunate. This Bill C-95, the FCC bill, provides assistance for further processing. However, if an industry has been wiped out by the FTA and has moved its plant to the United States, it is hard to save