

Adjournment Debate

In making the announcement the minister argues that new GATT rules and the pending world trade organization requires that Canada make the change. This is shocking. At the same time as the Canadian Minister of Agriculture is abdicating Canada's role in making economic decisions for Canadians, the newspapers are running articles quoting American politicians saying that the GATT cannot be accepted there because (a) the treaty is a threat to its economic sovereignty and (b) the new trade organization will have the power to change its national law or regulation and impose fines and sanctions if it wants to.

Here we are in Canada blindly accepting the international treaty without challenge while one of our trading partners, one I might add which is hurting us in the marketplace, is openly resisting the imposition of the terms and the agreement on them.

Canada should be challenging the interpretation of the GATT deal affecting the Crow benefit and we should be resisting making unilateral changes until all the partners to the agreement have taken steps to ensure that a fair marketplace for all exists.

It is obvious to all of us involved in the grain trade that without the Crow benefit and without specific changes to the U.S. export enhancement program, Canadian farmers are left at a significant disadvantage in the international marketplace. I argue that it is an artificial marketplace.

The federal government should stop using the GATT deal as an excuse to cut the Crow benefit. As my friend Mr. Art Macklin the president of the National Farmer's Union has said: "It is apparent that the federal government's agenda is to cut the deficit and they view the Crow benefit as a large budget item".

Mr. Macklin has also said: "If the federal government really wanted to level with the people of the prairies, it would acknowledge that there does exist ways within the framework of the GATT agreement to retain the Crow benefit as a transportation subsidy".

In conclusion, late last week I asked the Minister of Agriculture if he has failed to understand the importance of the Crow benefit to the economic viability of the prairies or has he just decided to ignore the views of thousands of farmers who have made their views known at various times during the past 10 years? For the record, I ask again.

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, this government is now examining how changes can be made to the Western Grain Transportation Act, which enable Canada to meet its international obligation and which result in the greatest possible benefits to prairie farmers and the prairie economy.

There are two compelling reasons we are talking about change. The new world trade agreement under the General

Agreement on Tariffs and Trade calls upon countries to reduce export subsidies. Those reductions must occur both in expenditures and volumes exported. The western grain transportation subsidy on shipments to west coast ports and Churchill is considered an export subsidy under the terms of the agreement.

Legislation which will enable Canada to implement the terms of the GATT was tabled in the House recently. The uncertainty that would result in the grain industry were we not to reform the WGTA in response to the new world trade agreement would be untenable. The WGTA must be reformed before there is any threat of the volume limits on export subsidies being exceeded.

The second compelling reason for change is exactly the concern expressed in the member's question. That is the viability of the prairie economy. It has long been argued that the current method of payment discourages high value production and processing in western Canada. The world is changing. The new world trade deal has opened new opportunities for Canadian products and specifically for higher valued consumer oriented products. We must ensure that our industry is equipped to compete and gain its share of these rapidly expanding world markets.

As the government considers the best means for reforming the WGTA the fiscal circumstances of the government cannot be ignored. Agriculture will, along with other departments of government, have to bear its fair share of the effort to put our fiscal house in order.

As we consider reform the views of farmers across Canada are being taken into account. Far from ignoring the views of farmers we are asking them very specific questions on how a new payment method for the WGTA might be designed.

The Minister of Agriculture and Agri-Food has had meetings with representatives of the major farm organizations and commodity groups from eastern and western Canada. They are being asked for their views on the two specific options that have recently come forward from the producer payment panel and from the governments of Saskatchewan and Alberta. At the same time consultations have been undertaken by the Minister of Transport on efficiency issues.

The end result will be reform for the grain transportation system that will meet our fiscal responsibilities and our international trading obligations. We also want to ensure that our Canadian farmers come out on the winning end of the issue.

The Deputy Speaker: Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.38 p.m.)