

There is insufficient cooperation among the multilateral institutions, the GATT, the IMF and the IBRD although the issues they address are increasingly interdependent.

The dispute settlement mechanism, the cornerstone of the GATT, is sometimes cumbersome, slow and ineffective. It needs to be improved. The GATT panels have to be given the kind of expert legal, economic and technical advice which will enable them to make informed decisions within a reasonable time frame.

Mr. Chairman, let me now refer to the plight of developing countries. The OECD has consistently made their concerns a priority and I know that their governments are watching these proceedings with interest. We are all aware that the slowdown in growth in OECD countries has been particularly devastating for developing countries. Many are struggling under a heavy burden of debt. They have made it clear to us that unless they have access to our markets, they have neither the means nor the will to deal with their debt. As Filipino Minister Concepcion said at a recent trade ministers' meeting, "God and the GATT favour those who have more". If the Uruguay Round is to be truly successful, it must provide new trade opportunities for developing countries.

Let me now turn to my final point. Many countries, both developing and developed, are caught in the cross-fire of the agricultural subsidy war, a war that is not of their making.

Canadian farmers have seen world commodity prices fall dramatically. Efficient producers of grains and oilseeds in Canada are increasingly questioning whether they can survive. They see soaring U.S. commodity price support. They see Japanese rice producers receiving more than seven times world price for their crops. They see massive and subsidized EC exports to dispose of surplus stocks. Canada has been forced to respond in kind to these pressures. A battle of the treasuries - which no one can win - is in full swing.

These tensions in agricultural trade threaten the world trading system and the Uruguay Round. This is why Canada placed agriculture high on the agenda at recent meetings of trade ministers and why we are hosting in Ottawa next week a meeting of the Cairns Group of Agricultural Exporters. The need for agricultural policy and trade reform, as the Secretary General of the OECD has convincingly argued in his excellent paper, is urgent.