

Government Orders

The system of quotas in supply management sectors will be replaced by tariffs that will be lowered an average of 36 per cent over the six years.

I must agree that supply management has very good protection under this tariffication program. I will generally limit my comments to the areas for which I am responsible as the Reform Party critic. They are the areas of agriculture, transportation and agriculture trade. These are truly areas where the nations that took part in this agreement have worked toward establishing a common set of rules to standardize their industries.

The Reform Party is very much pro free trade. We supported the free trade agreement with the United States and we support further extension of free trade in general through the NAFTA and the GATT.

With agreement on the Uruguay round I think we can look forward to more economic growth around the world. This will in turn lead to more investment and more jobs. About 50 per cent of Canadian farmers revenues are generated by exports. That means the agriculture sector will definitely benefit from increased access to foreign markets and from reductions in trade distorting subsidies in other countries which are the major reasons for low world grain prices.

The Reform Party supports several transportation reforms. The underlying principle on which we base our reforms is the belief that Canadian agriculture products should move to market by any expeditious mode, any route in any form or state of processing based exclusively on the principle of cost effectiveness and with the best interests of the consumer in mind.

This is one reason I have been a very strong supporter of the Hudson Bay Route Association in promoting the port of Churchill. When I look at the distance to Churchill and to the other ports I realize how much saving there is as far as rail line maintenance is concerned.

When I see statistics, and these are done by different investigations or task forces, that we could cut our costs of transportation by about \$20 to \$25 a tonne, I think it is not only cost effective but also environmentally friendly.

The other thing we have to realize is that we have a huge north in Manitoba where the native people depend on this type of transportation.

We should be striving to develop an atmosphere that provides for a viable, self-reliant market driven industry by creating an environment in which regional development is eliminated as a goal of transportation policy.

We support elimination of transportation subsidies but the funds should be redirected systematically to comprehensive

safety net programs that are designed to defend Canada's food producers against matters over which they have little control.

We cannot eliminate transportation subsidies altogether without a definite long range plan to help the industry adjust accordingly. By reallocating the funds and paying them to farmers as part of a GATT-green program we can allow our economy to diversify and can give farmers the opportunity to take advantage of the market forces of the new international trading agreement.

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One thing that was really impressive to me the other day when the former agriculture minister, Mr. Whelan, was a witness before the standing committee was how we have lost our secondary industries, our processors and are killing plants due to transportation problems and other types of subsidies.

It is of the utmost importance that we try to resolve that problem. Canada should endeavour to create a genuinely competitive transportation system. To achieve this end the deregulation of the railway system and the privatization of Canadian national rolling stock should be clearly defined goals.

I do not know what the answers are but when I looked at the speech that the transportation minister delivered the other day, seeing that the labour force is only 64 per cent as efficient on our rail lines as it is in the United States, I know that subsidies are not the only problem. When I also see the United States transports 66 per cent more freight per rail mile than we do, we also know there is another problem of moving the products in the most expeditious way.

In the area of grains, oilseeds and special crops, Canadian producers should benefit from a more stable trading environment. Greater opportunities for exports and hopefully international prices will increase over the six year transportation period. With the volumes of subsidized wheat exported from the United States and the European union expected to be reduced 40 per cent over the next six years, significant market shares should open up for Canadian farmers.

Once this agreement goes into effect, the United States will no longer be able to use section 22 against imports of Canadian wheat. I would note however that these trade agreements can mean little if the government does not have the fortitude to back them up. We have seen other GATT agreements and they have all been broken by the bigger trade partners. As Canadians that is one thing we have to be very concerned about.

We look back to the wheat pact this government not only agreed to with the U.S. but imposed on itself. We see an example of where we were within our rights under the free trade agreement but were bullied away. Article 705.5 of the Canada-U.S. free trade agreement states clearly that the cross border grain shipments can be restricted only if they increase significantly as