

and using it for something else. This means that the land that is being farmed can be used at a more profitable and realistic level, and we will all be better off environmentally.

The other concern I have is whether this program is going to be accepted as it should be in international trading circles. The question that many of us ask is, is it "GATTable"? In other words, is it acceptable at GATT? I have to have confidence that this is being looked at.

But when I look at some programs that we have had in the past in Canada, programs we thought were safe, we thought were untouchable as far as other countries were concerned, were not. Some of those which we have been able to protect effectively, and I refer to the on-going saga of countervail duties on live pork and fresh chilled and frozen pork, we have had those to GATT panels, we have had them to free trade panels, and we win one day and lose a few days later.

Our trading partner to the south is very effective because, as they have a different way of funding these disputes than we have here in Canada, as soon as the producers convince the government, it funds all of the court cases. The United States is successful in keeping the cases in the courts, in the dispute panels or the GATT panels, until a lot of damage is done.

I have a lot of concerns. And I only hope that because this program is theoretically offered right across the country, to all producers, that this will be acceptable to them.

The other concern I have is about what will happen to the GRIP program, in particular, as far as the premiums are concerned. As I said from the outset, this is an enabling legislation and producers are out there now buying the sizzle to this legislation and I do not blame them. In the short-term, quite frankly, they cannot afford not to. The banking industry is saying, yes, we want you to join. It is giving the producer something that is bankable, no question of that, in the short term. But I am also hearing many, many producers asking, where is this going to leave us in the long term? What is going to happen to our premiums in the long term?

The base prices that are being used are at a percentage of a 15-year average. And we all know what can happen to 15-year averages, especially in the case of some crops

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and some products when the peaks in those prices drop off. Every year we have to remember that one year drops off at the beginning of that period and another one adds on at the end. If those peaks drop off, and especially with what has been happening in many crops in the last few years where prices have been low and there is nothing in the foreseeable future to make us think that we are going to have any major increases in prices—especially in the grain situation—and we know that just is not going to happen. Probably the prices we have now are far closer to normal than they have been for some time, and they will likely stay around that range.

So, what is going to happen to those average prices? I will tell you what is going to happen to those average prices, they will go down. Unfortunately, reality enters the picture and the cost of production goes up.

The minister said yesterday, and it is understandable, that in the short term the GRIP program will go into deficit. Once any program is in deficit when the premiums are examined in the future they will be examined with the hope that the deficit can be recovered by the premiums.

The concern I have and the concern of many producers is that as the long-term benefits of this type of program are looked at in the future, the guaranteed gross revenue per acre is going to come down. The cost of production is going to go up and probably the premiums are going to go up as well. Because of the type of program that it is, the bill cannot allow—and I agree—individuals to get in and out whenever they want, but when a producer signs up he is in for four years. If it just does not pencil out into black ink down the road in three, four or five years, the producer is caught and has to stay in the program. There is a lot of concern about that. I suggest that must be examined.

Another concern I have is there is nothing in the legislation, that I can see, that says there will be a national supervisory committee. The legislation says that the results of this legislation will have to be reviewed, I believe by April 1, 1996, which is basically five years, and every five years after that. But there is nothing in the legislation that says there must be and there is an ongoing committee to review this legislation all through next year and each year as we go on. I think it is important that that be done.