

• (1545)

The red book is clear on this subject. I quote: "Governments must assist individuals and firms to deal with the restructuring that is occurring as a result of trade liberalization. Such assistance is critical to building acceptance of structural reforms in the Canadian economy".

The federal government must urgently meet its responsibility for the integration or reintegration of workers and companies affected by the adjustments necessary for the transformation of our economy. International competition will affect some industrial sectors more than others. The federal government must fulfil its commitments so that Quebec and Canada can move toward innovation and excellence.

We know that, on the whole, freer trade promotes economic growth and, in that sense, the agreement stands to make more winners than losers. It is estimated that increased exports and imports could translate, says the OECD, into potential gains of \$270 billion US, with six or seven billion dollars going to Canada. Even then, the people of Quebec and Canada have to feel that the government is behind them, that it is implementing industrial reconversion measures to enable businesses to adjust to new realities and meet the challenges of the 21st century.

And we will not be the only ones to benefit from this more buoyant economy. The poorest countries of the planet as well as developing countries could also take advantage of this. Too many trade barriers have proven to be discriminatory in the past with respect to products that these countries are in the best position to produce and to export.

The North-South Institute recently pointed to a glaring contradiction between our foreign aid policies and trade barriers. For example, under the Multifibre Arrangement, Canada applies restrictions on textiles from Bangladesh. If Canada lifted these restrictions, the net gain to Bangladesh would amount to \$370 million, or three times our government-to-government assistance.

I could quote many more examples of protectionism targeting disproportionately products from the Third World. We have only to think about anti-dumping measures, export subsidies and customs tariff increases. Under the new agreement, governments may no longer resort to these measures, which had a major negative impact on poor countries.

The measures adopted as part of the Uruguay Round should raise the net revenue of developing countries by about US\$70 billion a year, which is equivalent to a 3 per cent increase in their export earnings. This exceeds the aid they now receive from other countries. However, as the OECD and the World Bank recently reminded us, the poorest region of the planet, sub-Sa-

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haran Africa, may well lose out after these agreements are signed. Canada and the other signatory countries will have to redouble their efforts to ensure that this region of the globe can also benefit from a richer world.

It will also be necessary in the next few years to check on the distribution of the wealth created in developing countries. Except for our humanitarian efforts, Canadian aid too often ended up helping our local businesses, propping up dictatorial regimes, making the wealthiest people in those countries even richer, or financing the purchase of military or paramilitary weapons.

The internationalization of trade, however irreversible it may seem, must not be restricted to northern countries. Trade practices towards developing countries must be redefined.

• (1550)

The new World Trade Organization will, we hope, deal with issues affecting not only the restructuring of rich economies but also the distribution of wealth as well as improved social and economic justice.

[English]

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, as a western farmer it is a special privilege to have the opportunity to speak today to Bill C-57. This bill as has already been noted provides the legislation to follow through on Canada's commitment to participate in establishing the World Trade Organization. I am pleased to support this legislation.

For farmers who have struggled through many years of depressed grain prices caused by the grain subsidy war between the European Economic Community and the United States, the completion of the Uruguay round of the GATT negotiations last spring after more than seven years of seemingly endless negotiations was as welcome as the first spring rain.

While all of us recognize that this agreement is just another step toward the ongoing liberalization of international trade regulations and not the end of the process, we must not forget it is a very important step for Canada and the other signatory countries. As I have said Canadian grain producers in particular applaud this step because it at least brings the world a little closer to restoring some sanity to the international grain trade.

The establishment of the World Trade Organization as the successor to GATT is especially encouraging. For the first time against the powerful lobbying efforts of the European farmers the GATT negotiations included agriculture. The dispute settling mechanism and appeals process is a long awaited ray of hope for Canadian farmers. So much for the good news. Does this bill go far enough to eliminate the trade distorting inefficiencies in our agricultural sector?