

Government Orders

the environment and use large amounts of carbon monoxide.

I would like to continue that line of thought for a moment and make a few further observations. The development of environmentally friendly value added processes must be speeded up to create new domestic markets for Canadian grains, whether for renewable fuels, road de-icers or other biodegradable products.

• (1625)

We now have road de-icers made from grain corn and biodegradable products such as garbage bags made from the same grains.

The use of grains for renewable fuels alone has tremendous spin-off potential. Although the government voted down Bill C-226 last Wednesday evening, it failed to recognize the spin-off benefits of renewable fuels. These fuels would cut the carbon monoxide emissions by 20 to 30 per cent and the carbon dioxide emissions by 6 to 10 per cent. Then the residue or stillage that is left could be used for cattle feed. If wheat was used as the base, the residues could be used for human food. It would be particularly suited to feeding starving children of Third World nations.

The government is not moving fast enough on these issues. How can it expect the farm people to borrow money if they cannot see where there is going to be a return. I suggest it is completely irresponsible. It is ignoring the need for a domestic pricing system for those sectors that do not have price-setting authority. They are ignoring other nations where input costs are much lower than ours and the targeted prices in most cases are substantially higher than in Canada.

I am referring, of course, to the U.S. target pricing systems, where U.S. corn growers will now be receiving one-half of their deficiency payments prior to planting their crops. Yet the Canadian farmers have to make their annual pilgrimage to the bank to ask for a new line of credit for this year or go to some of their suppliers or transnational corporations that make them sign away their farms and assets to give them credit, usually at a high rate of interest. If we are going to compete globally, we have to have prices that compare with those of the U.S. and a return.

We also have to ensure that under article III of the GATT, other countries exporting food to Canada live up to the same stringent environmental and safety food standards we have in Canada.

Recently we were appalled by the outbreak of food poisoning in the western United States directly related to contaminated meat. This was a disaster waiting to happen. Three children died and hundreds were violently ill. Some will have permanent kidney damage. I am appalled that this could be allowed to happen in a country next to us with which we trade and exchange food across the border.

I am deeply concerned, as well, about the growing oligopolies that have developed here in Canada in the food sector and that the problems identified by the previous royal commissions of inquiry in two provinces have never been acted on. This is public information and again, government has hidden its head in the sand and paid out subsidies to keep some of the farmers on the land, while other sectors of the food industry make profits that place them in the top 10 of the 1990 *Globe and Mail* "Report on Business", report 1000.

There has to be a return on investment, labour management and risk if agriculture is to survive in Canada. Yet just a few years ago, the government removed the two-price wheat system and it has ignored the fact that consumer prices continue to rise after producer prices have fallen. In fact, on a box of crackers the consumer price went up by 235 per cent while the producer price of wheat down by 43 per cent.

It does not take a genius to realize that Canadian agriculture cannot survive under such conditions, especially, as I indicated earlier, when our competitors are operating with target prices and export enhancement subsidies are paid to the exporting companies involved. Not only are they getting subsidies, but a year ago they were also getting Commodity Credit Corporation grain to feed to their livestock operations. Those huge companies are not only exporters of grain, they are producers of beef, pork and poultry meats. They used that export enhancement funding in exchange for grain from the Commodity Credit Corporation until it ran out some time ago.