

*Government Orders*

issue of this bill, the goods and services tax, the closing of rural post offices, or so many other issues that I could mention if I had the time.

According to your signal, for which I thank you, Mr. Speaker, I see that my time has run out.

**Mr. Maurice Foster (Algoma):** Mr. Speaker, thank you for the opportunity to say a few words at the report stage on Bill C-26, an act to amend the Railway Act.

With regard to the at and east rate, Subsection 281(2) of the Railway Act reads as follows:

(2) For the purpose of encouraging the continued use of the Eastern ports for the export of grain and flour,

(a) rates for grain moving in bulk for export to any Eastern port from any inland point over any line of a railway company subject to the jurisdiction of Parliament shall be maintained at the level of rates applying on November 30, 1960 to the movement of that grain to Eastern ports; and

(b) rates on flour moving for export to an Eastern port from any inland point over any line of a railway company subject to the jurisdiction of Parliament shall be maintained at the level of rates applying on September 30, 1966 to the movement of that flour to Eastern ports.

Therefore, we are really talking about grain being maintained at the 1960 level and flour being maintained at the 1966 level. The impact of this is not only on western grain producers shipping to European, Mediterranean, and North African customers. There is also a spin-off advantage for the local grain producers in the Atlantic ports of Saint John and Halifax.

There is an advantage for western producers of grain, wheat and barley, as well as oilseed crops. They are facing a serious drop in income this year. Even with the recent adjustments in net-farm income, Saskatchewan goes from a minus \$9 million net-farm income this year to minus \$116 million, which is a drop of 87 per cent.

Now, Mr. Speaker, if you, as Speaker, with the very large special allowances provided to Speakers had to suffer an 87 per cent reduction in your income, it would practically destroy the financial and fiscal integrity of

your whole operation, or for that matter, the operation of any other hon. member of the House.

Yet, at a time when farmers in Saskatchewan are facing a loss in net-farm income of 87 per cent in this calendar year, the government is removing its support program of the at and east rate which amounts to some \$50 million. It is inconceivable that, at a time when we are facing the most outrageous international trade war between the United States of America and the European Economic Community for those markets for grain around the world, we are reducing our export support programs for grain. In fact, the United States has increased its support programs for exports of wheat and a whole range of agricultural commodities from some \$600 million last year to \$900 million this year. It is subsidizing wheat sales at the rate of \$20 to \$40 a ton.

• (1250)

At the same time, we are removing an integral support program for our wheat producers in western Canada to ship grain at the 1960 rate for wheat, barley and oats, and moving that up to the current day rate. The impact will be really tremendous, not only for those producers, but for Atlantic Canada in total and those grain elevators in the Great Lakes ports in the area around Georgian Bay.

Our complaint is that, at a time when we are facing a very serious trade war in agriculture commodities, we are unilaterally disarming. The Prime Minister and the Minister of National Defence say that we have to maintain our support and our strength for NATO, although they have not actually done that. Surely, if that is important in a military context, then it is important in a trade context that we do not unilaterally disarm our farmers and our producers of grain at such a time. That is essentially what we have done.

In his 1989 budget, the Minister of Finance removed support programs for Canadian agriculture producers of about \$500 million. Some of those budget cuts did not actually trigger in until January 1, 1990. However, the at and east rate, which provided some \$50 million of support, was triggered last year. That amount of support and encouragement for export of our chief agriculture exports, wheat and oilseeds, was triggered last year. But that is only one. What has to be understood is that there