

Adjournment Debate

did. There was no indication in the communiqué from the conference that the seven heads of Government would take any action with regard to the grain and agricultural commodity price war. The communiqué indicated that they would not even refer the matter of agricultural commodities to the negotiating table at the General Agreement on Tariffs and Trade talks. That is a disaster for Canadian farmers. Everyone will have to hunker down to the prospect of a trade war. If the seven nations do not press to have agricultural commodities on the negotiating agenda in the GATT conference in Uruguay this fall, it means the agricultural commodity price war between the European Economic Community and the United States will go on. Not to have it on the agenda is a tremendous failure on the part of the Prime Minister.

I appreciate the fact that he raised the matter, met with farmers and their representatives in Vancouver, but the farmers are left defenceless. The Prime Minister and the Government must announce immediately a deficiency payment program to stabilize and secure the western economy. At the moment the western economy, especially in Alberta and Saskatchewan, is reeling from the impact of low oil prices. Not to provide minimum support for the grain industry will be devastating.

When the Parliamentary Secretary speaks tonight, it is essential that he immediately announce at the bare minimum financial assistance which the three prairie pools, the Western Grain Growers Association and other western farm organizations have asked for. They need a stabilization deficiency payment adequate to secure and maintain that industry during the coming crop year and in years ahead. One approach might be to reinstate the 1985 grain prices which would tell the farmers that the Government was not prepared to provide as much financial assistance as the United States Government does, but that there would be some financial assistance to stabilize and secure the whole western economy during the coming year.

If action is not taken now by the federal Government, there will be a serious financial crisis on the Prairies. There will be bankruptcies and farm losses. There will be a loss of the entire rural economy. I hope the Parliamentary Secretary will come forward and make that commitment tonight so that western agricultural and grain producers will know where they stand. They will know what their future is going to be and that the Government is going to support and assist them.

[Translation]

Mr. Pierre Blais (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I am always a little bit surprised when I hear my colleague the Hon. Member for Algoma (Mr. Foster) echo day in and day out the same fears and concerns expressed over the past 18 months by members of his Party about the farm industry. Given his considerable experience, he is well aware that Canadian grain producers are caught in a cross-fire of sort, in the war that is being waged between the European Economic Community and the United States.

Canada is the innocent victim of the large scale war which two of the world economic powers are waging through massive subsidies to their respective agricultural industries.

We have tried to ease the burden of grain producers by reducing to 19 per cent the cut in initial prices which could have been a lot worse and which is a lot less than that made in the American prices.

● (1830)

[English]

When initial prices were announced, it was also announced that tariffs administered by the Canadian Grain Commission have been frozen at last year's levels. These include cleaning, elevation and storage charges at terminal and county elevators. The Government is acting in other ways. It is studying domestic wheat prices. A special parliamentary committee chaired by the Hon. Member for Crowfoot (Mr. Malone) is studying ways of increasing returns to wheat producers. The committee is expected to report to Parliament in mid-June.

When Members opposite call on the Government to do more for prairie farmers, they seem to have lost sight of the fact that the Government has done a lot for farmers already. It has announced policies and programs which have resulted in \$4 billion in benefits to farmers, of which \$1.5 billion has been channelled to western farmers in particular.

[Translation]

The Hon. Member should not disregard this fact nor ignore the efforts which our Prime Minister (Mr. Mulroney) has made. He has described this as a defeat. Is it possible to speak of a defeat when for the first time a Prime Minister, at an international meeting of seven world powers, has managed to have it appear on the agenda and convince these powers that it is absolutely necessary to do something to end this price war? On the eve of his departure for Tokyo, the Prime Minister had met all the Canadians representatives of the farm industry to seek their advice before meeting the representatives of the seven major powers.

Something else that had never been done in the past, Mr. Speaker, is that our Minister, the Minister in charge of the Canadian Wheat Board (Mr. Mayer) is going to meet with representatives of other wheat exporting nations in Vancouver in a few weeks from now.

I therefore feel, Mr. Speaker, that this Government has made every effort, everything it could in the current farmers' crisis of which we are well aware, to make sure Canadian producers are well represented and get the best deal in the circumstances.

The Acting Speaker (Mr. Charest): The motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 3(1).

The House adjourned at 6.35 p.m.