

Supply

terrible news for farmers. It's a deeper cut than I expected". Those are the words of the president of the United Grain Growers.

I would like to say just a few words about this unmerciful subsidy war that is going on between European countries and the United States. It is helping to kill agriculture in Canada because the farmers, beyond their own control, are caught in what you might call a cross-fire. They are almost pawns in a deadly game.

Unlike their counterparts in the U.S. and European countries, Canadian farmers, I must remind you, Mr. Speaker, are not guaranteed a support price. The best they have is a floor price, which is usually well below world prices.

There are programs such as the Western Grain Stabilization Program. Of course that kind of a program helps, but it is far from perfect. The level of support is not known in advance. Worse still, there can be no payments in any given year. This year is an example. That is because payments are based on a moving five-year average. So there can be no payments even after several years of bad crops.

What about the cuts in farm support programs? I mentioned earlier these reductions amounting to about \$400 million. Just to enumerate them, they are these. Crop insurance was slashed by \$200 million. The grain and flour program was cut by \$60 million. The Rail Branchline Rehabilitation Program was reduced by \$48 million. Grain and crop advance payments were cut by \$54 million, while the dairy export program was cut by \$12 million. Commodity based loans were reduced by \$15 million, and the Canadian Dairy Commission by \$10 million. That amounts to a total of \$399 million.

Now I come to the most recent controversy having to do with the federal government's offer of a \$500 million farm aid program, a program I suppose designed to get money into farmers' pockets right now. I wish it was happening right now. But all we find is confrontation from the federal government, a bid by the federal government to somehow divide and conquer over the provinces, to break down an understandable common front, particularly put together by the prairie governments.

It has been said over and over again that farmers need the money right now, although somehow or another I think the federal government is not listening. I think it is unwarranted and unfair—it is brutal—that the federal government would say: "Here is the \$500 million on the table, but we have all kinds of strings attached. Unless the provincial governments come through, you ain't going to get the money. You're just not going to get it".

I do not think farmers deserve that kind of treatment. If the federal government is really sincere, if it wants to help farmers this way, and it is just one way of helping—it is not the whole ball of wax, and we know that—it would forget about these strings, sever them and release the money because the money is needed now.

Again, Mr. Speaker, you do not have to take my word or the word of the member for Moose Jaw—Lake Centre. Perhaps you would like to listen to the prairie premiers. They do not agree with the federal government.

The prairie premiers, you will note, Mr. Speaker, belong to the same political party as does the hon. minister. They are all Progressive Conservatives.

What did they say just a few days ago about this offer? Let me quote what was said because I think it is notable what they said. It is notable because it supports what we have been saying on this side of the House for a long time. This is what the prairie premiers stated in their press release:

Premiers demanded that the federal government's offer of \$450 million of assistance to Canadian grain and oilseed producers and \$50 million of assistance to other agricultural producers should be paid immediately and without any strings attached.

The western premiers also stated in their news release:

The Western premiers noted that the 1990 income deficiency is a direct result of international trade subsidy wars and, as such, must be addressed by the federal government. Provincial treasuries are simply not equipped to take on the treasuries of the United States or the European community.

It is also notable what members of the legislature in the Province of Saskatchewan did. They are totally dissatisfied with the federal government's arguments with respect to withholding the moneys until the provinces come through.