

*Supply*

**Mr. Hovdebo:** Mr. Speaker, I agree with the motion entirely. If I were to fault it at all it would be in the fact that it again tries to deal with only one part of the real disaster that is happening in the rural areas. The GST, the VIA Rail cutbacks, the freight rate increases, rail line abandonment, post office abandonment and high interest rates and negatively. If I had to fault the motion at all, it would be the fact that it has the tendency to deal with only one part of the problem, when the problem is the policies of this government in all of those other areas as well.

**Mr. Whittaker:** Mr. Speaker, I am from the riding of Okanagan—Similkameen—Merritt and part of that riding is the fertile Okanagan Valley. As I drive through that valley I see hundreds of acres of barren property where one year ago there were grape vines, cherry trees, peach trees and apricot trees. In one year we have seen the start of the destruction in my area of the fruit-growing industry. The Liberal Party has noted this in subparagraph 5 of the motion wherein it states that the government has:

—failed to create confidence among farmers in the future of the food supply system in Canada and its ability to ensure long-term food security for consumers.

Under the free trade agreement and under the GATT rulings, which the government has failed to appeal on behalf of the farmers in my area, in the past year we have seen a glut in the cherry market in western Canada of Washington state cherries. A lot of farmers in my area who normally ship to these markets found their cherries rotting in cold storage. They were scrambling to find new markets to which their product could be diverted. I spoke to some of the American farmers and found that there is a perception that under the free trade agreement they are free and clear, that they can ship into the market up here, and they are doing so with impunity. They are doing so by offering advertising dollars to the locals to sell their cherry products.

As a result of the heavy debt, farmers no longer have security for the future. They have difficulty in knowing where they are going. Those with debt are going to go under. Those without debt feel that they will survive but it is much tougher now to do so. They have just had a clawback of their apple advances from last year because of the apple market they are in. They do not have sufficient support from this government to ensure that their products are able to keep up to date. The high interest rates make it very difficult for these farmers to purchase the equipment needed to ensure that their farms are upgraded on a constant and continual basis in order to ensure marketability of their product. Can the member for Saskatoon—Humboldt tell us what his

opinion is with particular reference to soft fruit, orchard farming and the wine industry? Almost one year after the free trade agreement has come in, what is his impression of what has happened in this area?

• (1220)

**Mr. Hovdebo:** Mr. Speaker, the Canadian way has always been to protect the farmer enough so he can survive in those particular areas. The free trade agreement did away with that protection. The government recognized, even as it was developing the free trade agreement, that it was going to affect the wine industry and the small fruit industry. It set up some basic support to help those people in the transitional period but it must be understood and recognized that it eliminated a way of life for large numbers of farmers who had been doing well under the system that was there before, and we got nothing in return for it. We get California wine at a slightly cheaper price, but we have eliminated a way of life and security for a large portion of our agricultural population.

What happened in the small fruit industry and the wine industry was very glaring. What is happening in the rest of the industry across Canada is less glaring but it is changing. There is less feeling of security now among farmers than there has ever been before. They do not think that this government is going to do anything to help them out in those circumstances.

**The Acting Speaker (Mr. Paproski):** I will recognize the Hon. Member for Prince Albert if he will only get into his own seat. Not this time, but next time.

**Mr. Foster:** Mr. Speaker, I was interested in the speech of the hon. member for Saskatoon—Humboldt because he raised the whole question of rural agriculture. I am conscious of the fact that the government seems to move unilaterally. In the case of the decision to take oats out from under the control of the Canadian Wheat Board, this was a decision that was opposed at most meetings across western Canada by representatives of the Wheat Board Advisory Committee. These are individuals freely elected from their areas throughout the western prairie provinces. The price of oats had dropped and nine months previously the government had done away with the two-price wheat system which provided some \$280 million. I thought the hon. member for Saskatoon—Humboldt would want to respond as to how he sees this decision with regard to oats, especially when many producers are saying we should have some kind of marketing structure for a commodity like canola, whether under the Wheat Board or a parallel structure. A very large percentage of farmers see a need for something like that.