

Adjournment Debate

I am talking here about article 1804 in the free trade agreement that allows for the government to call for consultations on any other matter that it considers to affect the operation of the agreement. In this context, under article 701.4 of the free trade agreement, the United States is to take into account the effects of its export subsidies on other nations, and how it affects Canada, and to ensure that they do not prejudice our exports.

Therefore, I call on the government at this point to use the instruments provided for it in chapter 18 of the agreement to seek compensation for losses incurred by the Canadian Wheat Board and the Canadian farmers as provided for under articles 1804.3 and 1806.3 of that agreement.

Under these articles, article 705 in particular, there is a provision to open the borders to movement of grain between our two countries. It appears that Canada may be heading in this direction and that border opening may occur this coming crop year.

I ask the government today, because it apparently has not called for consultations, to consider instead revoking provision 705 of the free trade agreement because the United States is using its export enhancement program to buy its way into markets normally filled by Canada.

With the U.S. grain reserves at the lowest point since the early 1900s, there is no acceptable reason to have such low world prices and such high export subsidies. These prices are bankrupting our Canadian farmers and in no way do they reflect supply and demand. Rather, they are prices resulting from export subsidies, acreage set aside programs, deficiency payments, and corporate concentration in the marketplace.

I ask the government now to demand consultation with the United States as laid out in the agreement or withdraw from article 705 in retaliation.

When I see what is happening in the food processing industry with 22 food processing plants closing in the last 26 months in the province of Ontario, I say we have got to stop the haemorrhaging now. Thirty-two hundred jobs have been lost in Ontario alone. I know the government is going to brag about new plants and new investment in Canada in the food processing industry, but I have not yet been able to find out where they are. Perhaps I

noticed a new chip wagon a year ago on the corner of Metcalfe and Laurier Streets. Is that a food processing plant? It is the only one I could see in the area.

We have asked the minister's office if it can provide information; we have asked the Department of Agriculture, but it has not given us an answer. Yet there have been 3,200 jobs lost in the food processing industry alone in the province of Ontario in the last 26 months.

Food production and processing is the foundation of this nation. If this government continues to allow those foundations to be undermined, the economy and the agriculture sector of this nation will surely collapse.

I spoke earlier this day about what is happening in the beef industry in this nation, the fact that the importation of no-rolled beef has tripled since 1989 through to the last year, an increase of 20,636,000 kilograms of beef into this country that is not graded. Our consumers do not know what they are buying. Consequently, it is a haemorrhage that has got to be stopped.

I suggest very strongly that because of the fact the minister apparently did not know what I was talking about on December 17 when I asked the question, asked him if the government would call for consultation with the United States into the export enhancement programs and the fall-out effect this has on our Canadian grain markets, I ask him to respond. If it has not made any decision or made any progress with the consultation process, I ask that it revoke Article 705.

The questions are: Has the government started consultations? If not, why not? If the consultations have not been successful, will the government revoke Article 705?

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the hon. member has asked for assurances that the Canadian farmer will continue to have the support of the Canadian government. I am pleased to assure the hon. member that Canada will live up to its commitment to support farmers who are caught in the international price squeeze.

Since 1981 federal and provincial assistance to farmers has averaged \$2.4 billion a year. This support has been provided through such programs as the two special Canadian grains programs in 1986-87 and in 1987-88 and