

Supply

Maritime Freight Rates Act. Those cuts were originally scheduled to end on July 1, 1995 but have been extended.

Looking at the summary of agriculture cuts we see about \$660 million in cuts to agriculture coming from the transport department through the cuts in the WGTA benefit, the old Crow benefit, the Atlantic Feed Freight Assistance Act and the Maritime Freight Rates Act. In addition there will be \$445 million in spending cuts in the agriculture department. That makes a total of \$1.1 billion which will be cut from agriculture by the budget.

I listened to the agriculture minister explain earlier that the cuts in agriculture have been in line with cuts in other sectors of federal spending. That is absolutely untrue. In fact, the cuts have been weighed very heavily to agriculture. My concern is that if similar cuts had been made to other sectors of federal spending, a balanced budget would have been presented in February. We would have had along with that all the benefits that come with a definite target for arriving at a balanced budget.

• (1115)

When the cuts for agriculture and transport are put together it comes to about a 40 per cent cut in total agricultural spending. That is totally disproportionate when compared to other sectors of federal agricultural spending. It is almost a 50 per cent cut in direct payments to farmers.

How did the cuts to farmers, as outlined in the budget, compare to the cuts in the agriculture department itself? This is a valid point that the Bloc member has brought up today. He points out that farmers have been cut by almost 50 per cent when direct payments and payments on behalf of the farmers to the railways, through the WGTA and the feed freight assistance and so on are taken into consideration. When those payments are put together it works out to a 50 per cent cut to farmers compared to about a 20 per cent cut in the department itself.

Farmers in my constituency and farmers across Canada say that is not right. Farmers are generally saying they know they have to accept the cuts that were made because of the mess the finances of the country are in. They accept their share of the responsibility but they do not accept the fact that these cuts have not been balanced between spending for farmers and spending in the department. A 20 per cent cut in the department compared to about a 50 per cent cut in payments to farmers is not balanced.

I am not saying that these cuts should not have been made. Rather I am saying there should have been a better balance between cuts to farmers, cuts within the department and a better balance across the country.

The motion of the Bloc states that cuts have been unfair and that some of the compensation packages given have been unfairly weighed in favour of western Canada. I am going to talk a bit about that and explain that the cuts have been unfairly harsh to western Canada. I am not getting into a struggle between western Canada and central Canada. I am just explaining what

has happened in the budget. A little bit later I am going to talk about some of the real difficulties that the supply managed industry faces. They have very tough times ahead of them. I have concerns for farmers in the supply managed sectors but I will deal with that later.

One of my biggest concerns about the way the cuts were made is that the transition time farmers needed was not provided, particularly in regard to the Western Grain Transportation Act subsidy, the Crow benefit. For example, for farmers who rent or lease land the subsidy is cut off overnight. They will not have the approximately \$15 a tonne freight rate benefit paid to the railways on their behalf as of this year's crop seeding.

Over the next two months, those farmers who will be seeding their land will be asked to shoulder anywhere up to \$35 an acre in additional costs. The \$35 an acre is an extremely high figure. Normally the extra cost will be about \$15 an acre. That is an awful lot to ask farmers to shoulder with no transition time and no compensation package. For farmers who lease or rent land there is no compensation package in the budget.

The compensation package that has been presented is available only to land owners, except for farmers who rent or lease land from the Farm Credit Corporation. Those payments will be passed on to them. However, generally speaking, land owners have additional costs to shoulder immediately and no compensation.

I would like to ask the members of the Bloc if this sounds like an unfair situation weighed in favour of western Canada? Some of my other concerns were not so much with the way the cuts were made but with some of the things that were not done to allow the system to become more efficient.

• (1120)

A limited amount of branch line abandonment will be allowed. We are very uncertain exactly which branch lines will be abandoned.

The agriculture and transport ministers have stated that the present car allocation system, based on historic car allocation, will be kept in place, at least for now. Keeping the old allocation levels in place will not allow for the changes needed to make the rail system work more efficiently.

The government will still be fully in charge and will fully control the Canadian Wheat Board. For years I have been arguing that Canadian farmers should be given control of the operation of the Canadian Wheat Board. Canadian farmers pay all the operating costs of the board. Why on earth does the federal government still control the operations of the Canadian Wheat Board? The answer is it should not. Canadian farmers should gain complete control of the wheat board. Then they could decide what they want the wheat board to be like, what they want the organization to be in the future. That was not provided for in the legislation.