

Government Orders

Provinces Freight Assistance Act, and the at and east rates.

These rates were designed, to use the stupid phrase of the government about the free trade deal, to make a level playing field for agricultural producers in Canada. Australia and New Zealand producers have an average grain haul of about 200 miles to salt water. The European Economic Community has about 300 or 400 miles and a massive inland water system to move it all. This is similar to the United States that has a massive inland water system, including a canal that is over 100 miles long from Galveston, Texas, which is used to haul grain. So these transportation assistance programs were designed to allow Canadian producers to get their production into export position on a relatively equitable basis with competing countries. Since 1981 we have had nothing but a continuous erosion of those programs.

The value and relevancy of the at and east freight rates are as valid today as they were when they were first started. This is but another kick in the head for western grain producers and for the cities of Saint John and Halifax. Let me show you how, starting on April 1 of last year, for the next three fiscal years agricultural producers right across the country will pay \$1,677 million more in increased costs because of cancelled assistance by the federal government and lost programs such as the at and east freight rates.

The branch line rehabilitation program has been wiped out. We have 2,000 miles of track out in the west that has to be fixed up and finished; there are commodity-based loans, such as the \$7 million to the Canadian Dairy Commission. For crop insurance it was \$90 million for last year and an additional \$110 million for the current year that farmers are going to have to pay.

Western grain producers are going to have to pay an additional \$27 million for interest rates on cash advances. The western grain stabilization producer levy increases about \$91 million each year for those three years. Transfers to the system improvement railway reserve fund and the two-price wheat system, which by the way, did not cost the government a nickel, made the consumers of grain to produce cereals, bread and confections pay a higher price for grain consumed in Canada. It

did not cost the government anything and then what did the government do?

They cancelled the two-price system, which had meant \$200 million a year to western grain producers in a good average crop year. Last year it was not nearly that because of the crop failure. It was not costing the government or the taxpayers anything. They said the milling and the baking industry was being hurt. That is baloney. They took off the higher price for domestically-consumed grain. Have the prices of confectioneries and bread gone down? They have like hell. That same baking, confectionery and milling industry that this was designed to help, supposedly, has kept its prices the same or higher and kept the money, instead of it going to grain producers.

I listen to the hon. member for Halifax get up with inane questions. He wouldn't know a bushel of wheat if it hit him in the face. I would also like to say—

Mr. Crosby: What do you know about pork?

Mr. Benjamin: What is in jeopardy, in the grain terminals in both Saint John and Halifax and Dover flour mills, will be several hundred jobs. There will be a further reduction in our capacity to export milling grain and flour. It has got to the point that with the loss of this program, the agricultural producers in the Atlantic provinces are now looking at and asking for the same kind of exemption as they get in British Columbia on bringing U.S. corn in for feed. They are also looking at bringing in feed, oats, barley and wheat from western Europe. They can do it cheaper than paying the full cost of transportation from western Canada. That is a betrayal of the hon. member's own province and his own city.

When you see the spectacle of a country like ours which produces the best grain in the world forcing its livestock producers in Atlantic Canada to consider bringing in corn from the U.S. and feed grain from western Europe, there is something terribly wrong. There is another point I want to make about the subsidies. The European Economic Community subsidizes their grain producers, for export out of the EEC, anywhere from \$20 to \$30 a tonne and the Americans, under their Export Enhancement Program, anywhere from \$12 to \$18 a tonne. At least the European Economic Community does it honestly. They do not take any tax revenue for the subsidies on grain out of the EEC. They have something like the goods and services tax. It is called the value added tax which is why consumer prices at wholesale and retail levels in Europe are much higher than