

Supply

The problem for Canadian farmers and for Canadian agriculture is whom you sell to. Who do you sell your potatoes and vegetables to when Campbell Soup's plant is down in Chicago? It is pretty hard to ship a product that far when the area around Chicago can produce virtually the same quality of vegetables and produce a lot cheaper. The producers are much closer to the market.

Some of the things that we feared are coming true. This government should be criticized for that.

Likewise with the ice cream and yogurt decision, the decision came down as we predicted it would. It will undermine supply management. It will undermine the Canadian Dairy Commission and the marketing board structure in this country. We do not see this government fighting for the strength in Article 11 which will permit countries to have supply management and marketing systems in their own country. We think the government should be stronger on this. We know it is against its basic convictions, that the market should determine things, but it should always remember that when you leave things to the market you are leaving things to the most powerful and, in this case it is the Americans and the Europeans. We are not particularly enthralled about being in their clutches without some international body standing in between.

We think this government should be siding with the other smaller countries to get a good, fair deal for Canadian agriculture and agriculture in the other smaller countries so that our farmers can survive in the new world that is developing and emerging out there right now.

Mr. Ferguson: Mr. Speaker, I wonder if the member could tell us what has happened to the price of oats. During the last crop year, they were removed from under the jurisdiction of the Canadian Wheat Board. The minister spoke very glowingly this morning about what has happened in the industry since they were taken out from under the jurisdiction of the Canadian Wheat Board. I would like to know what has happened at the farm level. What has happened to the price of oats? What is liable to happen in the future?

I would also like to hear some comments about several grain sales. In the week of September 21 the United States sold 22,000 tonnes of Durum wheat through its Export Enhancement Program at a subsidy of \$6.48 a tonne. On October 5 it sold 1 million tonnes to Egypt, Algeria and Sri Lanka at an \$8 a tonne subsidy. It sold 1.5 million tonnes to the U.S.S.R. under the Export Enhancement Program at a subsidy of \$8 a tonne.

Is this impacting on the farmers of western Canada? Does this government have any programs to counterbalance those large subsidies? Does the member have any personal suggestions as to how we can stop this type of action by the United States government?

Mr. Althouse: Mr. Speaker, there were two aspects to the question. The way the U.S. has continued on with the enhancement program I think breaks the spirit and even the letter of the law, but it persists in it. This was raised in the House numerous times after the signing of the agreement when the enhancement program was going on. One of the things that our negotiators seemed to have been unaware of was that the U.S. was moving—at the same time as it was signing this agreement which has a clause which appears to say that the enhancement program would not be used in markets that we are into—to authorize the use of the enhancement program well into the 1990s, unbeknown to our negotiators apparently.

The United States Government does not seem to have any intention to live up to the writing in the deal. This is fairly consistent with previous wheat agreements and other international grains agreements where its perception and understanding of the deal is not what it says in writing but how it feels it should be interpreted. It basically comes down to who is the biggest, who has the most power and who can get away with it. That has not changed with the agreement in spite of all the high hopes of the Prime Minister and the Never Never Land that he comes from.

• (1630)

With regard to oats, since the Canadian Wheat Board no longer markets oats, oat prices have gone into the pits, Mr. Speaker. You should know that. The price is around \$1 a bushel this year. It was well over \$2 and sometimes approaching \$3 last year. We do not have that any more. We do not have a Wheat Board to negotiate prices for producers, and neither do we have an interest free cash advance program so that producers can feel