

Oral Questions

If Hon. Members opposite agree with their Leader, and I know sometimes they do not, and they also acknowledge the fact that in the election last year they had \$7 billion on an annual basis of new spending promises—

Some Hon. Members: Oh, oh!

Mr. Wilson (Etobicoke Centre): It was \$7 billion a year. If Hon. Members opposite understand the significance of that, they would come to the floor of the House of Commons and offer to talk about alternatives, about different ways of doing this, and have a debate on how we can get control of this government debt, rather than just playing the opposition Party and criticize, criticize, criticize. Let us hear the alternatives.

Some Hon. Members: Hear, hear!

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AGRICULTURE**FARM MARKETING BOARDS**

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is directed to the Minister of Agriculture. During the election the Government promised to keep farm marketing boards. Two weeks ago, on April 14, the Minister announced that he was destroying the power of the Canadian Dairy Commission to raise the market price of milk regardless of how the input costs were affected during the next 20 months. Is he aware that his announcement on April 14 resulted in the chartered banks announcing, only three days later, that they were cutting the value of farm market quotas by 50 per cent for lending purposes? Why is the Minister and the Government destroying farm marketing quotas for Canadian farmers?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the Hon. Member is misleading the House, not deliberately but I think inadvertently, when he makes that statement because marketing boards are secure as they have been.

I might remind the Hon. Member that in August, 1988, there was to have been a roll back as a result of the production formula. The price that was paid to the producers was to have been reduced by \$1.89. In light of the fact that feed grain prices were rising at that particular time, this Government took cognizance of that fact and allowed the prices to remain the same.

As a matter of fact, as well, in February there was to have been a further cut-back and this Government stood by the dairy farmers on that occasion. It is standing by the dairy farmers today and will continue to do so in the future.

DISCOUNT OF FARM MARKET QUOTAS

Mr. Maurice Foster (Algoma): Mr. Speaker, how can the Minister of Agriculture say that he is standing by farmers and not destroying farm marketing boards? I have an internal document by the Royal Bank in which they state their belief that farm marketing quotas will be destroyed at the GATT by the Government and that they will be sacrificial lambs.

This is dated April 17. They state they will be moving immediately to discount the value of farm marketing quotas for loan purposes. That is a 50 per cent reduction. Loans will not be given over a five year period. Interest rates to farmers will have to be raised because of this decision. Why is the Minister allowing this to happen? Why is he destroying farmers' quotas? In many cases, this will take away 25 per cent of a farmers' asset value. Why is the Minister doing this in light of the promise made during the election campaign?

• (1440)

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, Members of the Opposition continue to use the same old fear tactics. During the election campaign and prior to the election campaign, they said the Free Trade Agreement would destroy supply management. They said that free trade would destroy import quotas. They said we should stick to the GATT, stick to the GATT. Now they are suggesting that the GATT will destroy supply-managed systems. Why do they not get their act together? Perhaps they should have a meeting with the Royal Bank of Canada and set the facts out straight.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF MEMBERS OF POPULAR FRONT OF ESTONIA AND CONGRESS OF THE PEOPLES' DEPUTIES OF THE UNION OF SOVIET SOCIALIST REPUBLICS

Mr. Speaker: I wish to draw to Hon. Members' attention the presence in the gallery of Mr. Edgar Savisaar and Mr. Hardo Aasmae, both of whom are members of the Popular Front of Estonia and members of the Congress of the Peoples' Deputies of the Union of Soviet Socialist Republics.