

Oral Questions

same time, when you take in the deficiency payments, is going to be paid \$6 a bushel, twice what the Canadian farmer is going to achieve? Will the Prime Minister undertake to repair this difference in payment in some fashion in order that we can avoid more bankruptcies and more hardship on our Canadian farmers?

Hon. Charles Mayer (Minister of State (Canadian Wheat Board)): It is very simple. The American Farm Bill addresses two things. The Americans feel that they have lost a market share and they would like to get it back, and they believe that they can get it back by lowering international prices. We do not think that is going to work. The Americans are prepared to put up a massive amount of money to see if they can get back their market share. The estimates in the United States of the cost of the U.S. Farm Bill over the next five years go as high as \$100 billion Canadian. We are simply saying that we do not think spending that kind of money, even if you have it, is going to get results as far as increasing prices for Canadian farmers is concerned, let alone for any other farmers around the world.

REQUEST FOR EMERGENCY FUND DISCUSSIONS

Right Hon. John N. Turner (Leader of the Opposition): The Canadian Government is not capable of using its so-called special relationship with the United States to get a comparable payment to Canadian farmers. Will it at least convene a meeting through the Prime Minister of the Premiers of the grain producing provinces to set up and discuss a farmer's emergency fund as soon as possible in order to meet this situation?

Hon. Charles Mayer (Minister of State (Canadian Wheat Board)): This situation not only affects Canada, it affects Argentina and Australia as well. We have all been making those kinds of representations to the Americans to try to point out the concern we have, as well as the Europeans. If you want to go back far enough and look at the cause of the major part of this grain glut and the lowering prices, we must look at the European Community. If the Right Hon. Member wants to ask his question and be consistent, he should include the Europeans in that discussion, which Canada has already done.

CANADA-UNITED STATES DISCUSSIONS

Mr. Vic Althouse (Humboldt—Lake Centre): My question is directed to the Prime Minister, Mr. Speaker. Since he has been cultivating a very close relationship with the Americans and has had several meetings with them prior to this decision, and since the American Farm Bill was a factor before the last set of meetings, can he tell us what he has achieved through his close contact with the American administration? Can he tell us what he has given away in return to the Americans for having participated in their farm program and allowing our price of grain to drop?

Hon. Charles Mayer (Minister of State (Canadian Wheat Board)): Mr. Speaker, the Europeans have increased production dramatically in that part of the world through very large subsidies. It is causing problems as far as trade is concerned in many other agricultural products besides wheat. It is causing problems in beef, dairy products, sugar-beets, and many other areas. We have raised those kinds of concerns on a larger scale. We raised those concerns almost a year ago when we saw the prospects of what the U.S. Farm Bill could eventually produce. We have been aware of this and have been raising those concerns, as have other countries around the world.

We believe the best way of being able to have an ongoing discussion with the Americans, as with everybody else, is to do it in a firm fashion, pointing out some of our major problems without at the same time being insulting with them, which was the case with the previous Government on too many occasions.

COMPETITIVENESS OF CANADIAN FARMERS

Mr. Vic Althouse (Humboldt—Lake Centre): Since the Europeans are now locked in a discussion of whether the price of wheat should go up 3 per cent or 6 per cent at the farm gate, and since the Americans are expecting the equivalent of something over \$6 Canadian to their farmers, what is it that the Government is proposing to do to keep Canada's farmers competitive? We cannot compete with \$3 wheat against \$6 and higher. What are you going to do to make certain that we remain competitive as producers, given this world situation?

Hon. Charles Mayer (Minister of State (Canadian Wheat Board)): Mr. Speaker, we addressed this question previously. We have the Western Grain Stabilization Act that pumped some money—

An Hon. Member: We had it last year.

Mr. Mayer: That is right, we did have it last year, and he should know that the President of the Saskatchewan Wheat Board said last year that without federal government spending in agriculture in the West the total amount of money that farmers had would have been in a net deficit position, so at least somebody from his own province is willing to give the federal Government some credit for the spending that has been going into agriculture.

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[Translation]

AIR SAFETY

MINISTER'S POSITION

Hon. André Ouellet (Papineau): Mr. Speaker, my question is directed to the Minister of Transport, and to paraphrase the Hon. Member for Bow River, the most ineffective one Canada has ever had.