

Supply

cent. That is not even one eighth of the agriculture department's budget. Yet, taxes paid by Quebecers account for 23 per cent of the budget as a whole.

By denouncing inequities, are we trying to pit the West against Quebec? In the old days, the 74 Liberal members did not rise in this House to do so.

I am doing my duty today by stating loud and clear that \$300 million of federal agriculture expenditures went to Quebec in 1980, as compared to \$1 billion to Western provinces, and \$410 million as compared to more than \$4 billion in 1987.

• (1100)

There are about 18 Liberal members from Quebec at present. When will the new member for Brome—Missisquoi for example rise in this House to defend the interests of the Brome—Missisquoi farm producers? Never. Is it an attempt to set the Maritimes against Quebec to state in this House that, from 1980 to 1987, federal expenditures on agriculture have grown six times slower in Quebec than in the rest of Canada?

The list of inequities goes on and on. I would like the Minister of Agriculture to give Quebec farm producers the same treatment given farm producers from his region, Western Canada.

[English]

Mr. Goodale: Mr. Speaker, I am very pleased to have the opportunity to respond to that question because it indicates a certain misunderstanding of the nature of agriculture in this country.

In western Canada the agricultural sector is dominated by export industries such as grain and beef. Those export industries have to compete of course in the marketplaces of the world. The expenditure levels referred to in the question were levels that were triggered by international trading distortions.

For example, the introduction by the United States of its export enhancement program caused the price of grain in the world to collapse and the obvious necessity for a government reaction within Canada. When those trade distortions occurred internationally, the level of government expenditure in Canada with respect to the grains industry went up accordingly to try to offset those international implications.

In eastern Canada, agriculture is somewhat more diversified. It tends to be dominated by domestic industries that have the advantage of a Canadian supply management system. As a result of that Canadian supply management system, those agricultural sectors in eastern Canada tend to be sheltered against international circumstances. They do not have to face the difficulty which has been faced in western Canada of those distortions in

international trade. It is a bit of a mug's game to compare the numbers because two systems which are not directly comparable are being compared and the numbers at the bottom line get to be a bit misleading.

The hon. gentleman may want to draw comparisons of the values provided by the Government of Canada to western Canadian agriculture compared with the values provided to agriculture in eastern Canada and make that east-west comparison. To do that he has to take into account the regulatory benefit provided to central Canadian and eastern Canadian agriculture by means of our supply management system which has in fact been worth billions to the agricultural sector in eastern Canada.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, at the outset I would like to say to the hon. minister that I have paid particular attention to his remarks today and I found them quite interesting. I agree with some of his statements, in particular the assessment of what took place during the debate on the rail dispute and how members of the NDP and the Bloc certainly acted against the best interests of all Canadians, including the interests of Quebecers which the Bloc purports to represent.

I too found it very disparaging that the NDP, the bulk of whose caucus comes from the province of Saskatchewan would act as it did. It certainly, in my mind, was not representing the best interests of producers and constituents.

I agree with some of the statements in the minister's remarks today. I would make a few further comments about his assessment of Canada's debt and the need to address it through spending cuts. That is certainly an area where Reform has taken the lead since the formation of our party in 1987. In fact it was a real driving force in getting our party started and attracting people to the Reform message and the Reform cause.

• (1105)

We agree that cuts have to be made. We are not opposed to that and in fact our cuts would go much deeper. We have already outlined in great detail where we would make the cuts, not only in the department of agriculture and the area of farm subsidies, but also in all levels of government spending.

Another point has to be made in light of the minister's comments. I find it more than ironic that this Liberal government has suddenly discovered the advantages of having a free and open system of trade and trying to capture foreign markets. This is the same party which was opposed to the free trade agreement. It spoke vehemently against free trade when Reform was very supportive of the whole concept of a free trade agreement not only with the United States but also an expanded