

Oral Questions

The maltsters pointed out to the agriculture committee that this proposal adopted by the government would mean that they would be less competitive in the Japanese and Chinese markets in supplying a very high-priced malting product. Those are burgeoning markets with a huge potential for increase in consumption.

This move takes away the advantage the maltsters had. Now the U.S. maltsters will have access to that same high-quality barley at ostensibly lower prices because there will be those offerings that occur when it is not through a single desk marketing system.

How is it going to be better for Canadian industry when the government kills the potential and competitive advantage the malting industry had before this move?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, I may have misunderstood the hon. member's question. If what he is saying is that this is going to increase sales of barley to the United States and is going to allow growers to grow some more barley and sell more barley, then I am going to say that the decision is an absolutely good one.

I have to remind the hon. member that it is a choice. I also want to remind the hon. member that the Canadian Wheat Board will continue to market barley other than in the North American market, and in the North American market if the farmers choose to market their barley that way.

Mr. Vic Althouse (Mackenzie): Madam Speaker, surely members of the government know the problems with choice. They do not give us the choice of making decisions for the government. They do not give the Liberals the choice of making decisions for the government. Those decisions are made through one place. That is the advantage the Wheat Board has given to Canadian farmers over the past 50 years and the hon. minister should understand that.

As well, the announcement said that the border would be opened between Canada and the U.S. This means that American barley which is subsidized over 47 per cent will be competing head to head on an equal footing with Canadian barley which is subsidized at 24 per cent. Under chapter 7 of the Canada-U.S. Free Trade Agreement this becomes irreversible short of abrogating the deal.

Why was that done? Why were Canadian producers put at the disadvantage of being put up against U.S. imports of highly subsidized barley at a time when it was not required under the terms of the trade agreement? This was offered and put on the table. It is part of the announcement. It makes no sense at all.

Hon. John McDermid (Minister of State (Finance and Privatization)): What the hon. member is saying is that Canadian producers are afraid of competition. Wrong. They are not afraid of competition at all. They are prepared to compete fairly and will compete fairly.

We grow a great product in this country. It does not need protection from the NDP or from any government. That product can be sold world-wide because it is recognized world-wide as a top product.

• (1130)

The hon. member is wrong. There is no question that some people disagree with this move and others support it. After weighing all the evidence that was presented, the decision was made to go with a system of choice for selling barley in North America. That is what is being contemplated.

I might remind the hon. member that there is a six-year review of this program to see, after it has had an ample opportunity to operate, if it is working well like the people who are supporting it say it will. In that six-year review we will take a look at it then.

Mr. John Harvard (Winnipeg—St. James): Madam Speaker, I want to pursue the issue of barley because there is a lot of anger on the prairies today, anger brought on by the government's decision to move to a continental barley market.

The minister who has just spoken should know that for the past several months thousands of farmers and every major producer organization in Canada told the minister not to do it. The minister did not listen. Instead he turned his back on farmers. He abandoned farmers, the very people he was supposed to protect.

The president of the Canadian Federation of Agriculture calls this a betrayal. Why was it done? Why did the minister not listen to farmers?

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, organizations representing barley farmers support this move.