Oral Questions

Mr. Mulroney: Mr. Speaker, I find it passing strange. I am asked a question, I stand up to answer it and the Liberals start to hoot and howl. The farmers will really be questioning the sincerity of the questioner on such an important matter.

In response to a question from my friend's leader yesterday, I indicated that the Minister of Finance and the Minister of Agriculture, pursuant to a meeting I had with the farmers in Winnipeg last Friday, would be bringing forward recommendations possibly to cabinet as early as tomorrow morning and that shortly thereafter I would be in touch with the House to advise it of what they might be.

There was a statement issued today by Ralph Jespersen, president of the Canadian Federation of Agriculture, who expressed his strong satisfaction with statements and commitments that this government has made. The minister has pointed out that in this very serious problem of Canadian agriculture, we have already increased aid by over some 650 per cent beyond the limits we found it some seven years ago. I recognize that this is not perfect and the farmers are hurting. We plan to do more, but I think my hon. friend would agree that this attitude is better for farmers and their families than that of a former Prime Minister who said: "Why should I sell your wheat".

PORK INDUSTRY

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, the Prime Minister knows he has yet to keep his promise to Canadian farmers.

My question is to the Prime Minister. The Prime Minister should be aware that the American government is slapping a \$22 per hog duty on live hogs being shipped to the United States from Canada, a 300 per cent increase. This will have a devastating impact on our pork producers already facing tough times and clearly goes against the free trade agreement.

Will the Prime Minister explain to this House what he is planning to do to protect our Canadian pork producers?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, the hon. member I know has a longer memory than he professes to have. He can recall just within the last four months that because of the CUSFTA, Canada-U.S. Free Trade Agreement, we were able to take action against unfair trading practices by the United States

government. We put forward the facts and were successful.

As the hon. member knows, the third and fourth panels found that there was subsidy. We are discussing with the Pork Council to use the same method as in the past for a presentation of facts to a Chapter 19 panel. Once we present the facts, we abide by the recommendation or the outcome of the panel.

We have a process and we will put forward the facts in conjunction with the industry as we did previously and we were successful at that time.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, my supplementary is also to the Prime Minister.

The Prime Minister knows that the U.S. government subsidizes its pork producers in various ways. His government failed Canadians by not getting the definition of subsidy prior to signing the free trade agreement. Now the U.S. is defining subsidies when it wants it and how it wants it just to meet its needs.

I ask the Prime Minister: When is he going to stand up to the Americans on behalf of Canadians and get fair trading rules with the Americans?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, at one point the hon. member from the opposition says: "Why do we not define what a subsidy is". I draw to his attention the dispute resolution mechanism in CUSFTA which even he recognizes works and the pork producers recognize that it works. I suggest to him that we are going to continue to use the process to define subsidies.

We will work with the pork industry to present the facts to a panel. The panel will make the decision on the presentation of those facts.

AGRICULTURE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, my question is to the Minister of Agriculture.

Yesterday, Saskatchewan Premier Grant Devine came to Ottawa to meet with the minister. Can the minister tell us if Mr. Devine has now come around to the realization that a third line of defence payment of \$1.3 billion is needed? And can the minister assure this House that any aid package that will be announced on Friday deals directly and specifically with the \$1.3 billion shortfall in average net income for the 1990–91 crop year and will not borrow money from GRIP and NISA payments due in the 1991–92 crop year?