

AGRICULTURE

FERTILIZER PRICES IN WESTERN CANADA

Hon. Don Mazankowski (Vegreville): Madam Speaker, I should like to direct my question to the Minister of Agriculture. Is the minister aware that fertilizer prices in western Canada are between \$30 and \$60 per tonne higher than they are in the western United States? For the Canadian farmer who is planting a quarter section of land, this means an added cost of roughly \$4,000. If he is aware of this situation, can he indicate what action he is planning to overcome what appears to be a grossly unfair situation?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, I am aware of what the hon. member is saying. It is the market system working. There is no tariff on fertilizer moving across the Canada-United States international border. It moves freely. Farmers can go there to purchase fertilizer. I know it would be inconvenient, but I am sure the hon. member does not want me to invoke more regulations concerning control of the sale of fertilizers.

It is said that it is surplus fertilizer being moved into world markets. Approximately 50 per cent of the fertilizer is moved into markets other than the Canadian market. Production is 50 per cent more than is needed for domestic use and is exported. There are three new plants that will come on stream in the next 11 months. That will make those figures look so small it will be amazing. These are nitrogen-producing fertilizer plants that will be producing mostly for the export markets.

REQUEST THAT MINISTER MEET REPRESENTATIVES OF
MANUFACTURING COMPANIES

Hon. Don Mazankowski (Vegreville): Madam Speaker, inasmuch as this fertilizer is produced in Canada, will the minister assure the House that he is prepared to meet with the fertilizer companies, or at least prevail upon them to instil some equity and fairness in their marketing practices, particularly in light of the fact that farm input costs are rising dramatically, mainly fuel prices and fertilizer prices, largely as a result of federal government taxes? Will the minister consider meeting with the fertilizer companies, prevail upon them, and use his ability as a friendly persuader?

Hon. E. F. Whelan (Minister of Agriculture): Madam Speaker, we have a group which meets with the fertilizer manufacturers in Canada. Some of my officials have discussed this informally with them. I addressed this group about three weeks ago in this city. I also pointed out to them in private conversation that we had definite concerns about this fact. It is the market system working in its own fashion. We have deep concern. I repeat, there is no tax on fertilizer coming into or moving out of Canada. There is free trade. It can move freely back and forth across the border. It is an inconvenience. I agree, as the hon. member said, it is unfair that Canadian fertilizer users are being subjected to this.

Oral Questions

ST. LAWRENCE SEAWAY

CAPACITY OF WELLAND CANAL TO ACCOMMODATE SHIPPING

Mr. Girve Fretz (Erie): Madam Speaker, my question is for the Minister of Transport. The St. Lawrence Seaway system is in potentially serious trouble if the bottleneck of the Welland Canal is not dealt with very soon. Forecasts of demand for later this decade indicate that up to 65 million tonnes of cargo could be moved through the system, yet the canal's capacity to move this much cargo is fast becoming limited. Does the minister plan to increase the size of the Welland Canal in order to take advantage of the demands placed upon it?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, the postulate is not right. This is an assessment made by the government of Ontario indicating five years before capacity is reached on the Great Lakes. That study is contradicted by studies made in my department and by the Seaway which estimate it will be a decade before we reach that point. A recent joint study by the Canadian and American Seaway authorities indicated, that 18 or 19 years may be a more accurate estimate. Therefore, there is now plenty of capacity on the Seaway.

Administrative and technological measures of a short-term nature are being taken in order to expand the capacity. Long-term planning for the doubling of the Welland Canal or doing something about the length of the navigation season is also being carried out. Therefore, my friend should not worry too much. Things are well in hand.

QUERY RESPECTING CANAL IMPROVEMENTS

Mr. Girve Fretz (Erie): Madam Speaker, the minister's answer regarding the task force report by the Ontario government is correct. However, in his report the minister indicated that modernization of the canal, at least some restorative work on the walls of the canal and enlarging the areas in which ships can pass, should be started immediately. What is the minister's answer on that matter?

Hon. Jean-Luc Pepin (Minister of Transport): Madam Speaker, I could send my friend a report on what is now being done by way of administrative and technical changes to the Welland Canal. I will send him that report to assure him that what I said is correct. There will be a number of speeches on this subject in the coming months. There will be a colloquy in the city of Quebec early in June on the Seaway. A lot of good speakers will be there to give reports on the state of navigation on the Seaway and the St. Lawrence.

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ENVIRONMENTAL AFFAIRS

Mr. Jim Fulton (Skeena): Madam Speaker, my question is for the Prime Minister. I think we can take from his earlier comments in this question period that he intends to have Canada follow lock-step in terms of economic policy with the United States.