

Government Orders

As I said earlier this is not paid for in money. It is paid for with a commodity certificate for the specific number of dollars. These certificates are paid for in Commodity Credit Corporation grain.

This action in turn continues to depress the price of corn. Cheap corn in turn is great for the six or eight big companies who not only export most of our grain but are also the biggest processors of grain and beans. These same corporations over there feed cattle, hogs, and chickens; they operate meat packing plants, crush soybeans, manufacture cereals, flour mills and own restaurants. They are the benefactors really of that program and the low prices that are involved.

• (1620)

I have to wonder, when we look at the free trade agreement and all the hoopla that came with it, just why—with all those export enhancement subsidies being paid by the United States, export enhancement subsidies that are allowing them into the marketplaces of other countries of the world—under the free trade agreement this government has not taken action to ask for consultations. It is very clear under Article 701.4 of the free trade agreement that the U.S. is to take into account the effects of its export subsidies to other nations on Canada to ensure they do not prejudice our exports.

In view of what I have said to this point, I call on the government now to ask for those consultations to increase the price of world grains and to make the United States live up to their agreements and stop taking our markets that are depressing our prices, necessitating the need for a program that is going to cost a lot of money to our wheat and corn farmers across this nation.

It is interesting that the government can withdraw from this program with just two years' notice. Yet if a farmer wants to withdraw, that requires four years' notice. What is sauce for the goose should be sauce for the gander. Consequently, I want to see something done to ensure that there is an opportunity in that legislation for consultation. If the government can withdraw in two years because the program is no good or it is putting undue financial hardship on the farmers or the provinces, farmers should have a similar accommodation under this bill.

Nobody knows what is going to happen with this bill in terms of the costs. We are already hearing some of the

provinces complain about the high costs involved with their involvement. We have to recognize that this whole area has been a transfer of responsibility not only to the provinces, but also to the farmers involved.

When I see that the level of premiums for corn is somewhere around \$12.50 an acre; for soybeans \$13.91 an acre; and for wheat probably about \$15 an acre in Ontario, I have to wonder how the farmers are going to come up with that level of money if these prices do not improve over the next three or four years, unless there is a dramatic turnaround in world prices. Certainly I do not see that coming unless there is a natural disaster, and let us hope there is not one.

I think that the government should be working more strenuously to make sure that the marketplace reflects the world supplies and the producers themselves can get their returns from the marketplace, and have a return that is commensurate with that of the rest of society. It makes no sense to me at all that we have the involvement of our government in a program form which the producer gets such a small amount of return.

I also call on the government to establish a two-price system for wheat and other commodities that are used here in Canada, such as we had a few years back, because you can bet your bottom dollar that is exactly what the U.S. target prices reflect, a two-price system in the United States.

As I said earlier, I will be supporting this legislation but it does not go nearly far enough. There has to be a lot more thought put into this. I hope the government will be open to suggestions when this comes into the agriculture committee for more study.

The other thing that I am very concerned about is the fact that we have not seen these agreements. We do not know whether the agreement with the prairie provinces will be the same as that with Ontario, or the Ontario agreement will be similar to that with Quebec. What will those pay-out prices be per bushel? Will one province have a lot higher pay-out than another one? Will that in turn affect the comparative advantage of production, that we could have crops moving from one section of the country to the other?

We should have these answers available to us and we should certainly have access to the agreements that are being hammered out at the present time so that we can