

[English]

**Mr. Maurice Foster (Algoma):** Madam Speaker, I am pleased to have an opportunity to speak about the government's estimates because an important part of parliamentary life is reviewing the government's spending estimates. Having them in committee has some advantages because it gives members an opportunity to go into quite a bit more detail.

I think we lost something by the move back in 1969 to have the estimates removed from the House so this is a good opportunity today for members to talk about the government's spending estimates.

• (1140)

I want to talk about agriculture and the situation which faces Canadian farmers today. 1990 and 1991 were perhaps the most difficult years for the grain and oilseed industry because of two factors; the government made drastic reductions in their payments and at the same time the world price for grains was dropping dramatically from something like \$137 a tonne for grain and wheat to \$95 a tonne.

The government at that time was involved in negotiations for the establishment of the Gross Revenue Insurance Program and the Net Income Stabilization Account. Farmers at the same time were being really stiffed or stonewalled as to financial support at a time when world prices were dropping through the floor. In fact, they were the lowest last fall that we have seen since the Great Depression. Prices were as low as \$2 a bushel when you removed the handling charges and so on.

The government steadfastly throughout that period dropped the government support programs drastically. The kinds of rallies we saw across Canada last fall have not been seen in the country in recent times. I had an opportunity to attend a rally in Weyburn, Saskatchewan which was attended by some 3,000 people. I also had an opportunity to attend a rally in Regina where some 7,500 farmers were pleading with the government to provide assistance.

Ultimately the government did provide something, about two-thirds of the funds that farmers were short-falled in 1990 after a wild and woolly scene last fall in which farmers pleaded with the government to come

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through with some financial assistance. At the end of the day it provided something like two-thirds of the amount the farmers had been cut back in the 1990-91 crop year.

The government does a masterful job of orchestrating things to appear as if it is the great saviour of Canadian agriculture. When the estimates came out this spring the government announced that they were up some \$800 million or \$900 million. In fact, those estimates were just reflecting the funds the government had shortfalled the farmers two years previously.

We tried to go into the details of what was actually being provided in the agriculture committee when the estimates were there. The minister was there with his whole panoply of 15 or 20 experts and specialists, but nobody could actually explain where the extra funds were.

We got out the Part III Estimates and it showed that the additional funding for this calendar year 1992-93 was barely up, when the Wheat Board deficit of 1990-91 was added in, by some \$500 million or \$600 million, even though the press release and so on showed quite an increase for this year.

The government is really masterful at smoke and mirrors and it is also a master at trying to orchestrate funds to come just the year before an election or during an election year.

It is very interesting to look at the government's own farm income financial conditions and expenditures. Since 1986 farmers have been through the worst financial crisis since the 1930s. However, government support programs only increased dramatically in 1987-88. Surprise, surprise, there was a general election in 1988.

At that time the financial support from the federal government was \$2.6 billion across western Canada because it is the grain and oilseeds sector, which of course operates in other provinces, where there has been a great deal of havoc.

Then in 1990, with no chance for a federal election, support dropped by 50 per cent from \$2.6 billion to \$1.2 billion. The same thing happened in 1991. Those were the years when the world price of grain was dropping from \$135 a tonne to \$95 a tonne, yet the government was just totally stonewalling Canadian farmers. They did not do much better in 1991.