

Supply

on all sides of the House should get behind. I do not see why the government cannot support this motion.

We are all concerned about the family farm and we all know that the government is playing poker with the provinces in terms of the releasing of this money. I would like to ask the member a question about possible diversification.

In my riding right now we are selling a product from the member's home province. It is an environmental product; briquettes made from distressed cereal grains. It is an attempt by a corporation in that province to get on to another mode of production and generating income.

The member is obviously very conversant with his community. Are there are other opportunities for industrial growth there, not unlike the selling of these distressed cereal grains that have been made into briquettes which are much more efficient and environmentally friendly? Do other such opportunities exist there?

Mr. Laporte: Yes, Mr. Speaker, diversification in rural Canada is a very important issue. One of the problems that we have in rural Canada is that farming has become such a specialized area that grain farmers are having difficulty. There is a need for secondary industry. There is a need to provide opportunities in order that family farms can maintain themselves. There is also a need for diversification for rural communities because in the west we have such a dependence on agriculture that when it is suffering, the communities suffer. In those areas where there is secondary industry, the communities are in a much better position.

Yes, there are opportunities. There is a need, though, to provide an environment. In fact, one of the things the government could be doing quite easily is providing some incentives for the smaller businesses to locate in other areas by providing some tax breaks and other opportunities. If the government would provide the milieu for that, they could survive. There are lots of opportunities and that would be well received.

I have talked to many people in my riding who were making suggestions with respect to various opportunities but who say that they cannot get funding and that it is just not viable to locate in some of these small communities. There are many opportunities and if the govern-

ment would provide the milieu it would do an awful lot of good for rural Canada.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, I have a short question for the hon. member from Saskatchewan. It relates to the Canadian Wheat Board, an institution to which farmers are emotionally attached. I shudder to think where farmers would be today without the Canadian Wheat Board. We know that in the past year the government took oats away from the Wheat Board and there are concerns about the future of the Wheat Board. Would the member from Saskatchewan like to comment on what he thinks is the immediate future of the Wheat Board?

Mr. Laporte: Mr. Speaker, I thank the hon. colleague for that question. The Canadian Wheat Board is under a lot of stress. With the removal of oats, the Wheat Board is now relegated simply to wheat and barley. The prognosis for the Wheat Board is not very good. One of the main problems facing the Wheat Board is as a result of the free trade agreement. In the free trade agreement there is a clause that says that if at any time the subsidies on wheat, or barley, which affects the Wheat Board, are equal to or higher than those in the United States, American grain can start coming across the border. That almost happened this year. We came within a few fractions of a percentage point of that happening with respect to wheat.

If that happens, American grain will start coming across the Canadian border and there will be pressure from the Canadian side. Farmers will say: "Look, Americans are bringing grain across. Why can't we take grain across to the American side?" Then the government will say that it has consulted with people, that farmers want this to happen and that it is going to allow Canadian grain to go across the American border. That is a scenario that has been put forth a number of times.

I do not know why the hon. member is looking perplexed, but it exists. When that happens it will mean the end of the Canadian Wheat Board because people near the American border will be hauling their grain to the American side when the prices are high there. When they are low, they will be hauling it to elevators in Canada which will mean that the Canadian Wheat Board will not have the ability to market its grain in the world market and will be relegated to the lower selling price of grain.