

As I pointed out before, the premiums come pretty hard on the provinces. I cite the example of the province of Saskatchewan, where premiums are going to be horrendous for them. The burden on the provincial taxpayer in Saskatchewan is going to be nearly unbearable.

I remind the House of what someone told me just today, that he does not think in the case of Saskatchewan—and we might even throw Manitoba into this—that Saskatchewan can afford this program. The taxpayer in Saskatchewan cannot afford it. The day will come; probably not until Grant Devine is gone or at least until after the next provincial election, but some change is going to have to be arranged because it is simply too burdensome on the provincial taxpayer in Saskatchewan.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated.

Before I recognize the next speaker let me say the following:

[*Translation*]

It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Glengarry—Prescott—Russell—Unemployment; the hon. member for Okanagan—Similkameen—Merritt—The Lumber Industry; the hon. member for St. Boniface—The Budget.

[*English*]

I will recognize the hon. member for Lambton—Middlesex, then I will recognize the hon. member for Nanaimo—Cowichan.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I rise today to take part in this debate on the farm safety net program with which the minister has led off this debate today.

• (1610)

I speak with apprehension, but I do want to say that I recognize the need for a safety net program. I only wish this safety net was a little higher off the ground. Let us look at what is happening across the border in the U.S. in terms of its wheat target price this year which is \$4.60 a

bushel. Ours will work out to about \$4.25 a bushel. I am talking Canadian funds here in both instances.

Then I look at our input costs which are about 25 per cent higher in Canada than they are in the U.S. I updated these just two weeks ago. I wonder how we as Canadians are going to produce in competition.

I should just take a moment to point out that the wheat prices are the lowest in history at the present time. Yet, when I look at the farmer's share of wheat that goes into a loaf of bread, it is only worth 6 cents per loaf. The one-pound package of sugar cookies contains 2 cents worth of wheat. Spaghetti, in a package that costs \$1.19 there is 24 cents worth of wheat. In a 40-ounce bottle of rye whiskey, there is 1 cent worth of grain. In a bottle of beer, there is 1 cent worth of barley.

Everybody else in society has had their return from the marketplace, except the producers. Their returns are being forced lower and lower every year, to the point where it is going to be very difficult for the farmers of this nation to survive.

The minister mentioned earlier that this program had to be revenue neutral. I attended a producers' meeting here just about three weeks ago where one of the officials there from the commodity organization warned the producers not to go out and bid up the price of land because this program will not pay off the mortgage.

I want to make that point very clear at the outset. It will not pay off the mortgage or the debt. It may sustain the farm at the current level, if in fact there is a reasonable interest rate on the mortgage.

In response to the comments by the minister that it had to be market responsive, I ask: What does he mean by being market responsive? The price setting mechanism in the marketplace for the last number of years is simply not working, nor is it being allowed to work.

I want to point out two or three things things here. Perhaps I should say that the February 1991 issue of the *World Grain Situation and Outlook* points out that the grain reserves are the lowest since the 1970s. In fact, the United States' supplies are about one third the level that they were in the early 1970s. They are the lowest since the early 1900s.