

Agricultural Policies

government. I suggest sincerely that if this government is really concerned about attempting to better the conditions referred to in the motion before us today, it should not be difficult for the government to do something about it. It seems to me this is the only way Canada could become credible in the eyes of the world.

I am not an economist, but I fail to understand why Canada does not have a more flexible credit payment arrangement for these other countries. In conclusion, I say there is an urgency in respect of co-operation with other nations of the world. It is not good enough for Canada to stand on her own so far as grain sales are concerned. There should be co-operation with the other grain exporting nations of the world. But Canada could lead the way instead of alone entering into a reduction program such as Operation Lift. There is no mention of this by other countries, but they have great words of wisdom for Canada in respect of her wheat reduction program. I am sure that in this context the Canadian farmers are not pleased with the action of this government.

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I am pleased to have an opportunity to speak briefly in this debate. I hope to use this privilege to place on the record from a farmer's point of view some of the bright spots and some of the concerns that are affecting our agricultural economy. I may also make some suggestions for government action in regard to some of the problems that undoubtedly exist.

At the outset I wish to make it clear that I cannot support a motion which suggests that the government has deliberately pursued policies designed to depress the agricultural economy. It may be true that some policies have had, and are having, some unfortunate side effects on farmers, such as the battle against inflation, tightening of credit, balancing the federal budget and revaluation of the dollar. Certainly these were not deliberately aimed at farmers. On the other hand, the government has taken positive steps to bolster the farm economy. Cash advances have been doubled in the past year or two. The price of domestic wheat was pegged at \$1.95½, so that farmers are assured of that price on wheat used in Canada for human consumption. On that point it should be noted that wheat was worth about that much 20 years ago. Now that the principle of a two-price system has been established, I call upon the government to raise the domestic price of wheat to \$3 per

bushel to bring it more nearly in line with the advance in price levels and costs in the past 20 years.

• (3:10 p.m.)

Canadian farmers, with few exceptions, are at the mercy of world markets where often prices are subject to manipulation and subsidies by various countries. We need effective legislation to allow farmers to organize their business on a nationwide basis so that they will have effective control of their production and, subject to the forces of competition, will have much more to say about the prices they receive for their products. There is legislation before the House at present, but I suggest it may need additional safeguards to make sure that producers themselves have some control over their marketing agencies.

The supplementary estimates for 1969-70 which were approved by the House a few weeks ago are indicative of the government's concern about agriculture. Out of a total of \$200 million, over \$150 million went to agriculture and \$48 million was voted to cover the Wheat Board deficit in meeting the initial prices of wheat, oats and barley for deliveries in the 1968-69 crop year. Over \$6 million of that sum was allocated to permit the Wheat Board to make final payments on Durum wheat deliveries.

If the government had been inconsiderate of the needs of farmers, this payment would not have been made; the Wheat Board Act would have simply required the use of that money to reduce the deficit from \$48 million to \$42 million, to the benefit of the federal treasury. The thousands of farmers who received those payments for Durum wheat are well aware that they did so because of a sympathetic and conscious government decision to that effect. On behalf of those farmers, many of whom have written to thank me for my part in promoting the government's decision, I wish to thank the government on this occasion for that very welcome addition to the cash receipts of the western grain farmers. There was an item of several million dollars in the same supplementary estimates for the Farm Credit Corporation. The corporation is now authorized to make loans for the purpose of consolidating burdensome short-term debts for land, buildings and equipment and to spread the payments over a longer term of years at much less than current rates charged by various other lenders.

The largest item in the supplementary estimates was \$100 million to finance the wheat