

*Prairie Grain Advance Payments Act*

am concerned, none of these proposals will have the effect of aiding the western agricultural economy.

I was interested in the minister's description of this proposal as one further step in allowing the farmer to put his remarkable efficiency to better use. This appears to me to be another example of the government's perversion of words, probably the best example of which is its use of the word "reform". The classic example of this is the government's white paper containing proposals for tax reform. Most people consider a reform to be a change for the better. In my view there is nothing in the tax proposals—which are really an attempt to gouge more money out of the people—that changes things for the better.

With regard to the present proposal to allow the farmer to increase his efficiency, on a fairly close look at the legislation I can find nothing that allows the farmer to do anything, though I do find that people other than farmers are allowed to do certain things. For example, this legislation allows the government to change the present 6 per cent interest rate to a rate that is euphemistically called the appropriate prescribed rate. The people of Canada have had experience before of Liberal governments which started to fiddle around with interest rates. The Bank Act was amended during the last Parliament so as to permit an increase in interest rates from 6 per cent. A great many of us have had cause to regret this change. I cannot say that I had any responsibility for it because the change was made before I came to this Parliament, but I can assure you, Mr. Speaker, that the action taken by the former Parliament has had an adverse effect on my pocketbook.

The argument was used at that time that, although there might be a temporary increase in interest rates, competitive forces would prevail and in the long haul the economy would be better off with the freeing of the interest rate. As we all know, the tight money situation continued to prevail after the interest rate was freed and the interest rate went up. I can only look on this proposal to change the fixed rate to a varying rate as an effort by the government to increase the interest rate on loans made under this legislation, which I do not think is an appropriate thing to do at this time, particularly in this segment of the economy.

The legislation would also allow the government to decide, after an advance has been made, how the money will be repaid from deliveries, that is to say, what proportion of a delivery will have to be taken by the government in repayment of any advance. At least, that is how I interpret the legislation; if I am wrong I am sure the minister will correct me.

The legislation also allows the government to direct the farmer to deliver the kind of grain that it wants delivered. I really cannot see, as I have already said, how this legislation allows the farmer to do anything. It simply allows the government and its bureaucratic servants, who do exactly what they are told by the executive, to direct the farmer in the discharge of his occupation. It allows the government to vary the rate per bushel and the number of bushels per quota acre on which advance

[Mr. Schumacher.]

payments may be based. So that we do not know with certainty what will be the effect of this legislation.

This brings me to another point and it is the question of certainty. In his introductory remarks I believe the minister said that this legislation would help the farmer decide what he was going to grow. The bill provides that the decision as to the rate per bushel and the number of bushels per quota acre will be set by the Governor in Council immediately prior to the commencement of the crop year. If that is the case, I think serious consideration should be given to changing the date of the commencement of the crop year since August 1 is surely well into the growing season of any crop that is produced in western Canada.

If these rates are set during the month of July, which would be immediately before the commencement of the crop year, then seeds will long since have been put into the ground and the setting of the rate will be of no assistance whatever to the farmer in determining what he should plant in order to enable him to take advantage of this legislation. This is assuming that the legislation is in fact designed to benefit the farmer, though I doubt that it is. There is no way in which the farmer can intelligently plan a crop on the basis of an announcement that is going to be made in the month of July, a time when seeding has been completed. At the very latest, seeding is completed by the middle of June, though in most cases earlier than that.

The minister says that this legislation is another step in rationalizing and improving the grain industry. In my view it is another example of the government's perversion of words and their proper meaning. Just what has this meant in other cases? In the case of the railroads it has meant a reduction in service, and in many cases no service. In agriculture, this process of rationalization has produced a catastrophic situation that is seriously straining the strong and destroying the weak.

● (5:40 p.m.)

The rationalization program relating to agriculture also envisages a reduction in the number of elevator delivery points to which farmers can take their grain. This rationalization program has in fact resulted in a swelling of the welfare rolls in our cities and the ranks of the unemployed in general.

What about some of the steps the minister seems to be so proud of, many of which form the basis of this legislation? Quite frankly, I have not yet met one farmer in my riding who has anything good to say about this government's approach to the agricultural economy. In an effort to find out the true facts of this matter I sent out a questionnaire to every farm home in my constituency. On the basis of a 25 per cent return it disclosed the following points. The first question I asked was, "Do you feel the federal government's attitude towards rural Canada is satisfactory?" In answer to that question 6 per cent said they were satisfied and 86 per cent said they were not satisfied. During the last election the Liberal candidate in my riding received about 30 per cent of the votes. It is gratifying to see that this support has been reduced.