

Western Grain Stabilization Act

● (1210)

GOVERNMENT ORDERS

[English]

WESTERN GRAIN STABILIZATION ACT

MEASURE TO AMEND

Hon. Jean-Luc Pepin (for the Minister of Transport) moved that Bill C-33, an Act to amend the Western Grain Stabilization Act, be read the second time and referred to the Standing Committee on Agriculture.

He said: Mr. Speaker, last Friday I had the great privilege, honour and pleasure of piloting amendments to the Prairie Grain Advance Payments Act through this House, and I want to thank Members who were kind enough at the time to give the Government second and third readings on a single day.

I am afraid Members will not be as generous today. I do not blame them. The Bill I am about to introduce is a rather complex one. I can easily understand that Members will want to debate it for some time, for a few hours or a few days, in committee. The Bill I am introducing is Bill C-33, an Act to amend the Western Grain Stabilization Act.

I speak on behalf of three Ministers. I have become their Boy Friday! I speak on behalf of the Minister responsible for the Canadian Wheat Board who has primary responsibility for the stabilization policy; for the Minister of Agriculture (Mr. Whelan) whose Department administers the program; and for the Minister of Transport (Mr. Axworthy) who presented this Bill to the House.

Mr. Gustafson: And you who are reading it.

Mr. Ouellet: And myself who will listen to it.

Mr. Pepin: I thank my distinguished audience for being present.

As Members are well aware, the Government in its Throne Speech indicated that:

Amendments will be introduced to the Western Grain Stabilization Act to make it more responsive to the needs of producers.

That is, the grain producers. As we will see, the major amendment proposed in Bill C-33, amendments which benefit from the experience gained since 1976, which is the date of birth of this Act, will accomplish this objective. The purpose of my speech is to try and demonstrate that.

[Translation]

The effect of the amendments in Bill C-33 will be:

First, to incorporate an additional payment trigger mechanism based on net cash flow per unit of eligible marketings—all this will get a little clearer as we go along—to make the program more sensitive to price and cost variations during periods of increasing marketing volumes;

Second, to change the measurement of receipts under the program from a calendar year to a crop year basis, that is,

instead of being from January 1 to December 31, it would be from August 1 to July 31 of the following year;

Third, to make spouses eligible for multiple participant status under the Act if they meet the other requirements prescribed for joint holders of permit books. All this will become quite clear as we go along.

Fourth, to give participants, once every ten years, the option of leaving the program. Those are the four amendments I gave in French.

[English]

Understandably there has been increasing concern in recent years on the part of prairie grain producers as to whether the Western Grain Stabilization Program was doing the job it was intended to do. For example, I am told the Program was a major item for discussion at farm meetings throughout the Prairies over the past several months. Many producers indicated that they were dissatisfied with the level of support provided by the program. The Government remains committed to the view that the main federal program protecting the incomes of prairie grain farmers is this one, namely, the Western Grain Stabilization Program. It is clear from the very high rate of producer participation—77 per cent, if my memory serves me well—that they too are committed to the program. If one can judge the acceptance of a program by the participation into it, this is one. As we will see in a moment, it is a voluntary participation.

Mr. Gustafson: They all want out.

Mr. Pepin: If that is so, we can stop now and that will make our job rather easier. But it is not so. I do not agree with the comment of the Hon. Member. If 77 per cent of farmers belong to a voluntary program, it must have a great degree of acceptance.

Mr. Gustafson: They are locked in.

Mr. Pepin: We will see shortly that they will be unlocked.

Some Hon. Members: Oh, oh!

Mr. Pepin: The basic concept of the program, the “net cash flow concept”—and more on that later—is sound. However, the changing character of the grains industry has made it necessary to improve the pay-out mechanism in order that the program will provide assistance for prairie grain producers in time of real need.

The business or professional life of the western grain farmer is not an easy one. He, more than almost anyone else in the country, is dependent upon factors outside his control. First, he is dependent on weather conditions. Too little or too much rain, or rain at the wrong time of the year, can be devastating, as I learned in 1969.

Second, the western grain farmer is dependent on world markets for his volumes and for his prices. This is a factor over which he has no control and which reacts primarily to the size of harvests around the world.