

Government Orders

A third concern is that it does not include the cost of production for even a minimum amount of production. We are not suggesting, and we have never suggested it, that the cost of production be guaranteed for great amounts of product produced, to unlimited levels. However, we have suggested that every farmer should be assured of the cost of production for a certain part of his production.

There is not enough stability in this program after the first couple of years. If they start producing crops lower than the cost of production, they will want to get out of it as soon as possible or go into products that are more marketable. We in Canada know that we have to continue producing the products presently in place.

Another flaw in this plan is that there is no limit to the amount that can be paid to any particular producer. In the United States similar programs are now being blamed for the demise of the family farm, because those programs ended up paying 85 per cent of the funds available to 10 per cent of the farms. Those 10 per cent were the large farms, many of which were vertically integrated corporate farms that took the lion's share of the program. Meanwhile, small farms or farms that had been viable disappeared, with the effect of elimination of rural communities and, to a great extent, the rural way of life in many states.

In our amendments to this bill we have suggested that a limit should be placed upon the amount paid to each unit to keep the total cost of the program down. That again is a flaw in this particular program. There is nothing within this legislation which guarantees a top limit on the spending as far as the taxpayer is concerned.

In the policy our party has been suggesting for years we had many issues in place that are not in this program. The first would be the cost of production, a basic part of production. In the second level of production we suggested a similar program to the one we are talking about today and that the average price be guaranteed. In the third level farmers would have yield insurance.

There are two other real concerns about the short-sightedness of these particular plans. There is nothing in this program or related to this program which relieves farm debt. That is a major concern out there at the moment.

In Saskatchewan there has been a major decimating of a number of farms by foreclosures, quit claims and other methods.

• (1720)

Twenty to 30 per cent of the farmers are in financial difficulty. These plans do nothing to help these farmers stay viable, so that they can make use of these plans. Many farmers are also in a position where they do not have money to plant this spring.

The Minister of State responsible for Grains and Oilseeds made an announcement that western grain stabilization would make some pay-outs this spring that may help in the bridging. These plans are based on this particular year and the farmers need funds now to plant. Consequently, a number of farmers may not be able to take advantage of GRIP because they do not have enough money to put seed in the ground now.

I could spend a considerable amount of time talking about NISA which is a glorified RRSP plan, the kind of plan of which every group of people in Canada would like to take advantage. I could talk also about a number of other issues that we are concerned about: the fact that this is not friendly to the environment, that it gives the wrong kind of market signals, that it does not include forages. All of these are concerns we have with these plans.

Mr. Speaker, I will sit down now. I know there are other speakers who will talk about the particular concerns we have with this bill.

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, I appreciate the opportunity to make a few comments about Bill C-98, the Farm Income Protection Act, before the completion of third reading.

Without a doubt this is the most all-encompassing piece of farm legislation that we have had in Canada in many decades. That statement has both pluses and minuses. It is a piece of legislation that is attacking the stability problem of farmers in Canada in a different way than we have ever attacked it before in the hope we can provide that stability.

I want to point out to the House and to all Canadians that the dangers of this type of bill, which is enabling legislation, gives this government and any future government more power to deal with agricultural legislation and programs than has ever been given in Canada before.