

man, the price that the farmer receives for his product has not kept pace with the cost of these purchase inputs. So today, both small and large farmers find themselves on the same treadmill, but the small farmers particularly are finding circumstances very difficult. They do not have the ready access to capital to proceed with these inputs and they do not have land in large enough quantity to make it a practical economic fact.

Now, we are most anxious to see agriculture continue to share in the tremendous growth of Canada and to take its part in that development, to share and participate in making Canada ever stronger. We think from a long-term standpoint it is important to recognize this contribution of agriculture. We would like to see, in general principles, the following broad principles adopted; that is, that policies to aid submarginal farmers and subsidized types of agriculture should be separate and distinct from those that are designed to increase productivity. We should separate those two problems. One is a social problem. The other is an economic one. The policies formulated to assist non-productive farm units should not hurt the growth and income position of productive units. Policies applied to one part of the country must not put farmers in another part of the country at a disadvantage unless, of course, that disadvantage is inherent in the area or the individual. We would hope these principles are acceptable to your Committee as well.

We believe the ability to produce food in abundance is a wonderful gift that Canadian agriculture possesses. Canada must learn to live with this abundance and to accept it, not as an evil, but as something which is God's bounty. In view of the imminent world population explosion and the fact that even today most people of the world live on subsistence levels of food, it is foolhardy to accept any other long-term concept.

The problems and the cures of agriculture, Mr. Chairman, cannot be covered in the course of a short brief and I do not pretend that the proposals we put forward to you tonight are a cure-all or the answers to all of our problems. I wish to highlight some of the particular areas where we believe action is necessary. First of all, an increase in the initial payments. We ask, Mr. Chairman, that the initial payment a bushel be increased by 25 cents for wheat, 14 cents for barley and 10 cents for oats. We believe this is important to the farmer because it would put cash in his hands when he delivers his product which, by and large—at least the initial deliveries in the fall of the year—would mean that he would have more money available to pay his bills; money to purchase his fertilizer at that time of the year and store it if he so wishes; and money to put him in a position to pay off his debts and cease paying interest.

We believe there is no risk here to the Canadian taxpayer because the spread between the final price and the initial price has been sufficient in past years to allow that increase in the initial payment. I want to emphasize, Mr. Chairman, that we do not believe that an interim payment is the proper answer. We know this has been done in the past but we believe it would be much better for the farmers of the west, and for the businesses with whom they deal, to have an increase in the initial payment, not an interim payment coming in sometime during the course of the year. We recognize, of course, that for this particular crop year, if an increase in the initial payment were to be announced in the very