

Grain—Deficiency Payments

of inconsistency that has prevailed in the presentation of the demands that have been made so blatantly so many times by those who have come to the House of Commons with the slogan, "fight for the west".

I believe in a national policy for agriculture. I believe in the ability of the western Canadian members of the house to renew that confidence that should be part and parcel of the understanding between farm people in all parts of the country. Toward that happy end I am ready to work with those members and with the government to the end that the people of western Canada may say, as the president of the Canadian Federation of Agriculture is reported to have said at Winnipeg on June 25 of this year, "Never before have Canadian farm organizations played so influential a part in shaping national farm policy as in the last two years."

Something has been said about the election and about the promises during the campaign with regard to deficiency payments and agriculture generally.

Mr. Pickersgill: We seem to have forgotten about the grievance.

Mr. Nasserden: I rather wish that the Leader of the Opposition (Mr. Pearson) were here so that I might do this in his presence, but I am very happy to take this occasion to thank him for coming to my constituency during the campaign and outlining the Liberal agricultural policy. He was not able to speak tonight. Maybe I can tell the house something of what he advocated at that time.

Mr. Speaker: Order, I have allowed the hon. member a good deal of latitude and I do not think he ought to go back to the last election and general agricultural policy.

Mr. Nasserden: I am very glad to stay away from it then. You would probably see that I did anyway, but all I want to say now is that when an announcement is made I imagine it will be made by those who should make it, the Minister of Trade and Commerce and the Minister of Agriculture. When it is made I believe that hon. members to my right will find there will be something which will give the farm people of western Canada, not only another morsel but something upon which they can build their hopes for the future. It will amount to more than what one might call a deficiency payment. After all the problem is four-fold, as I see it. It takes into consideration this thing called credit that has been mentioned here tonight. It takes into consideration this thing called markets, the finding of markets and it takes in prices. Then it takes in above all else the shaping of the industry to the other parts of the economy of Canada.

I just want to say that during the period to which my hon. friends to the right referred western farm costs rose by 50 per cent while the price of wheat has fallen by almost 21 per cent. Something was said about the pledge of our leader with regard to deficiency payments. This is what he said at Moose Jaw:

The question of deficiency payments on western Canadian wheat, oats and barley would get a sympathetic hearing from a Conservative government and it was one that needed full and careful consideration.

I submit to this house and to the people of western Canada that when he said "full consideration" that meant a program that would carry forward into the future. I believe, therefore, that the cabinet and the members of this house have been justified in giving this matter consideration until a decision is reached.

Hon. Gordon Churchill (Minister of Trade and Commerce): Mr. Speaker, in the few minutes that remain, I should like to say a few words about the topic raised by the hon. member for Assiniboia (Mr. Argue) namely deficiency payments. This topic was not reached by the hon. member for Essex East (Mr. Martin), although his speech was full of deficiencies, and his arguments had no bearing whatever on the topic under discussion. The subject is a troublesome one because it deals with one of the main problems facing Canada, the level of income of western agriculture. We do not consider that any more important than the income of agriculture elsewhere in Canada, but it has been indicated over the years, from a study of wheat production and other grains and the prices procured in world markets, that one of the great difficulties facing western agriculture has been the variability in income year after year depending on yield, price and other factors. Hence we have the suggestion now of deficiency payments to make up for the loss of income which western farmers have suffered over the years.

It is related to what the western farmer has called the cost-price squeeze. We have had representations from the interprovincial farm union people and from representatives of the various wheat pools. This subject is not raised for the first time on this occasion, and it has been given very careful consideration. The hon. member for Essex East quoted the words of the Prime Minister (Mr. Diefenbaker) to the effect that the government would give sympathetic consideration to this problem. That is precisely what has been done. It has been sympathetic consideration. We have heard the delegations