

Prairie Grain Stabilization Act

"If they'd said this was a step forward . . . then I think that the support for the bill in the House might have been forthcoming more quickly and we would have been out of our difficulty".

Is all that the minister needs in order to make some adjustments to this legislation, a statement by the farm organizations, by the opposition, that this is a step forward? If that is all he needs, let me start by saying to the minister that it is a step forward for any government, particularly for a Liberal government, to admit that there is a need for a grain stabilization fund and that steps must be taken to stabilize the income of prairie grain farmers. Certainly that is a step forward. But when the measure before us completely fails to stabilize the income of the grain farmers of western Canada, then we are duty-bound to say to the minister that there needs to be some changes made in the legislation, particularly in the formula upon which the payments will be made from the grain stabilization fund.

That is exactly what the ministers of agriculture from Manitoba, Saskatchewan and Alberta came to Ottawa to tell the minister. They are not plotting against the minister. They are just as interested in the farmers of western Canada as the minister is and, some people may think, more so. They came to Ottawa to plead with the minister to make some changes so that the legislation now before the House will be acceptable not only to the governments of the three prairie provinces but to the farmers and the farm organizations of western Canada.

To judge from the press statement which was released by the three ministers, they left Ottawa under the impression that the minister was going to take some time—they suggested a week, or some days—to consider this matter; that the opposition would cease to belabour the government for not making payments under the Temporary Wheat Reserves Act, and the government in its turn would take this matter under consideration, the minister would take the matter to cabinet and probably the cabinet would agree to some fundamental changes.

But what has happened? Instead of this cooling-off period, the minister has brought the legislation back today. I wish the minister had told us this afternoon the answer to some of the questions that have been asked. For example, does this mean that the consideration which was promised the three ministers of agriculture from the prairie provinces has already been given and that the answer is in the negative? If the answer is not in the negative, then what value is there in passing this measure since the minister is going to negotiate some changes?

I think it is perfectly apparent from what the minister said this afternoon that he has no intention of making any changes. I also think it is apparent from what the hon. member for Peace River (Mr. Baldwin) said about the information conveyed to him that there is a very remote chance of any changes being made in the legislation. If that is so, then I would contend that the agreement made with the three ministers of agriculture from western Canada was simply a device to get them out of this city. I would say that they have been double-crossed. They went away from here with the distinct impression that the whole formula for making payments out of the grain stabilization fund would be reviewed. It is now perfectly apparent that the government has no intention of reviewing this formula. I go further and say that the government

probably never had any intention of reviewing it, that the so-called cooling-off period was merely a means of getting rid of the ministers so the government could proceed with this legislation.

• (8:30 p.m.)

There is no doubt in anyone's mind about the need for legislation to stabilize the income of the grain farmers of western Canada. Anyone who has been familiar with the plight of the prairie farmer over the last 30 years knows that the ups and downs in prairie farm incomes have been such that the farmer has suffered undue hardship because of lack of any stabilization of his income. No one is quarrelling with a grain stabilization act. What we are quarrelling with is that this legislation is not a grain stabilization plan at all. This legislation will not stabilize the income of grain producers in western Canada. The minister put it more accurately this afternoon when he said it was designed to give massive assistance in a year of catastrophe. That is what it will do—but it will not stabilize income.

In the first place, the previous five-year average upon which payment will be based contained two of the most disastrous years, in terms of farm income, in the west.

Mr. Lang: And two of the best.

Mr. Douglas: Two of the worst. The average will be low because three out of the five years will be low in terms of the five-year average, and the prospect of getting payment is remote. When the Prime Minister (Mr. Trudeau) appears on national television and tells the farmers they will get \$35 million next year and \$35 million the year after, I say that is a deception.

An hon. Member: You are a Santa Claus.

Mr. Douglas: In all probability there will be no payments under this plan for the next decade; and if there are, they will only be made in a year of catastrophe or crop failure.

An hon. Member: Are you predicting that?

Mr. Douglas: The second objection to this formula is that it deals with gross income. No other group in the Canadian economy would be prepared to accept as a formula for stabilized income 90 per cent of a moving, five-year average of gross income. The professional groups in Canada, including managers and business executives, have had an average increase of 7.5 per cent per annum.

An hon. Member: What about the unions?

Mr. Douglas: Trade unions and groups of organized workers on the average have received 6 per cent per year. The cost of living has been going up at the rate of 5 per cent per year, and the costs of farm production have been going up at a rate of over 5 per cent per year. Therefore, to talk about a stabilization formula that is set in terms of 90 per cent of gross income over the last five years is not to talk about a stabilization plan but a plan to fix perpetual poverty on the grain farmers of western Canada. This is a plan to fasten any assistance to prairie farmers at a poverty level.