

Oral Questions

this time that farmers receive increased prices for their grain. They are facing very difficult cash flow problems. The Wheat Board tells us that grain exports from the West Coast since the beginning of the crop year have totalled ten million tonnes, up a million tonnes from the same time last year. And the asking price for grain at Vancouver and at Thunder Bay has increased considerably. Will the Minister consider increasing the initial price of grain to help out farmers with the very severe cash flow problems which they face at this time?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I think first the Hon. Member should acknowledge the very major achievement in being able to move a record volume of grain this year which is in part due to the initiatives we have taken to expand the capacity. It is an achievement which his Party objected to and fought against in this House. I think the fact that we are able to sell and move more grain in an efficient way is testimony to the wisdom of that course.

As far as the question of further advance payments is concerned, as the Hon. Member knows, this House is presently seized with a number of initiatives to improve the financial position of the western farmer, in particular the question of the western grain stabilization payments, which I hope we will have an opportunity to dispose of within a matter of a few days. I think we are responding very much to the cash position which the farmers face. We hope the House will co-operate in allowing us to complete that motion within the matter of this week.

Mr. Gustafson: Mr. Speaker, the Minister will know that when it comes to western grain stabilization payments, initial or interim, this Government continues to play politics with the farmers' money.

Some Hon. Members: Hear, hear!

Mr. Gustafson: And I want to emphasize the farmers' money.

Some Hon. Members: Hear, hear!

REQUEST THAT MINISTER TAKE ACTION

Mr. Len Gustafson (Assiniboia): Mr. Speaker, will the Minister reconsider the answer he has given the farmers, consider the difficult situation in which they find themselves, and return to the farmers their own money by increasing the initial price of grain, when it is within the Minister's jurisdiction to do so?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, I am quite surprised at the question raised by the Hon. Member. Up to this point in time he was generally recognized as knowing something about the way the grain industry works. The tone of his question shows that he is not paying attention to what is going on.

The farmer is receiving and will be receiving, Parliament willing, a substantial increase in the payments from the west-

ern grain stabilization fund. This will go a substantial way to meeting some of the cash problems.

As far as any initial payment is concerned, we would have to take into account the recommendations and findings of the Wheat Board and the other bodies to determine what the level of that would be. I think what the Hon. Member should recognize first is that we are selling and moving record volumes of grain because of the expansion of the grain handling system in western Canada, which his Party opposed and fought against, and which this Government had the wisdom to promote.

Mr. Hnatyshyn: You are a joke. All you know about is pork.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. Gustafson: Mr. Speaker, it is obvious the Minister does not understand what is happening and he is confusing the western grain stabilization payments with the initial price of grain.

CASH FLOW SITUATION OF FARMERS

Mr. Len Gustafson (Assiniboia): Mr. Speaker, the level of the grain price since January has been considerably higher than the initial payments paid to farmers have been. We are asking the Minister to consider the very serious cash problems which farmers have, and either make an interim payment or raise the level of the initial price so farmers can receive a greater portion of their own money with which to pay their bills and to meet their obligations. Will the Minister of Transport show some confidence in the farmers of this country, Mr. Speaker?

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, we have shown that confidence by going ahead with major plans to promote the expansion of farming activity in western Canada, unlike Members of the Opposition who show a total lack of confidence by not being prepared to support those kinds of initiatives that would allow us to expand the system.

As far as the initial price is concerned, as the Hon. Member knows, that is not an income protection plan. That must reflect market conditions. In the Board's judgment it is far too early to make any determination of those market conditions until there is further reporting, perhaps into the mid-July period. That is the kind of judgment we have to make without putting at risk the kind of pool situation which the Wheat Board must face. I do not think anybody in this House would want to jeopardize in any way the financial stability or accountability of the Wheat Board, which is what the Hon. Member seems to be recommending.