Prairie Grain Stabilization Act

ration loan payments, their farm improvement loan payments and their cash advance return payments.

Some time ago during an adjournment debate I urged the minister to consider proposing a moratorium on the repayment of farm cash advances because of the difficulties being experienced in western Canada. Such a measure would have alleviated much of the hardship and I think it could have been easily implemented. However, the minister saw fit not to do that; he merely suggested the stabilization bill would solve this problem and urged speedy passage when it was introduced.

Western producers who are confronted with these difficult times are being subjected to harassment and intimidation by debt collectors. Threats are being made to throw them off the land. Is it any wonder that there is such anxiety, frustration and apprehension being suffered by them—not promoted by the opposition, as the minister would lead one to believe, but by the policies of the government? Is it any wonder that the rural population is constantly declining and that rural communities are dying? The population of rural Canada is declining at the rate of 1,000 persons per month, as was pointed out by the National Farm Union's director, Mr. Hubert Earl.

Is it any wonder that the Farm Credit Corporation has noted such a significant increase in the number of fore-closures that have taken place in western Canada, with many more pending? Does it not mean anything to note that Farm Credit Corporation arrears outstanding in 1971 doubled over the previous year, from 8.9 per cent to 17.9 per cent, with the situation particularly bad in western Canada? For example, Mr. Speaker, total arrears outstanding in Saskatchewan in 1969 represented 6.6 per cent; in 1970 the amount outstanding had doubled to 12.2 per cent; and by 1971 the figure was triple the 1969 figure, having risen to 21 per cent. In Alberta, in 1969, the figure was 14.9 per cent; in 1970 it was 21.7 per cent, and in 1971 it was 26.3 per cent.

This also had a marked effect on the business community. Many small businesses have closed their doors. Communities are stagnating and, of course, there have been many bankruptcies. In my own province of Alberta, in 1968 there were 75 business failures with liabilities of \$7.3 million. In 1969 there were 87 failures with liabilities of \$4.5 million, indicating that many of these corporations and companies were small in size because of the smaller ratio of liability, and in 1970 the number of failures had increased to 135 with \$12 million outstanding in liabilities. Saskatchewan and Manitoba recorded similar experiences.

While this situation continues to develop, along comes the task force report which recommends that the government withdraw its support from agriculture and that it should not institute any ad hoc programs to meet unforseen conditions and circumstances affecting the industry. But in the meantime, Mr. Speaker, other countries are taking a different approach. For example, look at the United States. I quote from the Manitoba Co-operator of

April 29, 1971, under the heading, "Recharging Rural America":

Recognizing the contributions agriculture makes...in terms of our high standard of living, and agriculture's importance to the balance of payments, he said, "For the first time agriculture and rural America will be given due priority, which it has not had in the past."

The President explained that it is essential for rural America to get fair and equal treatment; essential to develop a sound economy for the family farm, adequately financed. He said we must develop opportunities for education and employment or we will have the continuing problem of rural erosion (migration) which adds to the problems of the cities.

Mr. Nixon admitted all this is a big order and there is no simple answer. Progress can be made, he said, through rural development and revenue sharing. He called this a process, not a program. It calls for additional funds totalling \$1,100,000,000 (an increase of 25 per cent) to be spent in rural America for education, health, transportation, environmental improvements, housing, or for whatever local authorities may choose. Money would be shared with the states based on need. Need would be determined by such things as loss of rural population and rural per capita income.

These are the kinds of programs at which we should be looking. Instead we have the program initiated by the task force report, which was certainly endorsed by the government. All these pieces of legislation had their origin in the task force report. Apparently we are saying that Canadian agriculture must fend for itself. Not only must it shoulder the vagaries of climate and the elements, but also the vagaries of the international market-place and even of the federal government.

We have seen the government grant assistance to other industries—the automobile industry, the shoe industry, the textile industry. We have watched more money being poured into these industries under the guise of rationalization programs. But what are we seeing for agriculture? There is a constant withdrawal by the federal government. This is evident in the Department of Agriculture's estimates for the current year, which show a decrease in expenditure of \$30 million. It is about the only government department to show that sort of reduction. One of my hon. friends says the Prime Minister (Mr. Trudeau) must get money for his staff somewhere, and perhaps this is the easiest place from which it can be obtained. The whole theme of the task force report now constitutes government policy. It emphasizes efficiency at any price without regard to the social and economic disasters entailed for rural communities. This cannot continue forever. It must stop, or rural communities will sink into oblivion.

What can be done? Certainly a two-price system, long advocated by many knowledgeable agricultural personnel and endorsed by the majority of farm organizations, could be incorporated with relative ease. As my hon. friend suggests, perhaps even a change of ministers would help. But with respect to a two-price system I must say I share the minister's dedication in trying to convince his cabinet colleagues that a two-price system is necessary. However, it seems that the minister's colleague, the Minister of Consumer and Corporate Affairs (Mr. Basford), is the big bottleneck. That minister is concerned only about consumers. If the Minister of Consumer and Corporate