

hand, the Department of Finance wants to assist agriculture or, at least, is content not to hinder agriculture, it would be better advised to direct its attention in future to tax reform and, as agricultural critic, I might suggest it begin with the capital gains aspect.

One would expect the Department of Agriculture to consult with the Department of Finance on the monetary and financial aspects of all legislation, but I would hope that we have not yet reached the point where the Department of Agriculture takes its advice on agricultural policy from the Department of Finance.

To conclude, Mr. Speaker, I commend my colleague, the hon. member for Wetaskiwin, on this amendment, and I plead with all members for their support. If accepted, Mr. Speaker, a greater measure of orderly marketing will be accomplished, and an equal opportunity will be extended to all producers of storable crops, regardless of where they live.

[Translation]

Mr. Irénée Pelletier (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I have the pleasure to introduce to the House a bill to help all Canadian farmers whose crops are storable in the efficient marketing of their products. As everyone knows, under Bill C-2, concerning the making of advance payments for crops, the government will guarantee bank loans to organizations of recognized producers for the marketing of their products, and will pay the interest on those loans. Canadian producers often have to cover their production cost soon after harvest. Accordingly, markets are then literally inundated with farms products and such temporary overabundance can only result in falling prices at the very moment when the farmer needs the revenue most badly.

[English]

The Advance Payments for Crops Act should reduce the pressure on farmers to market in a period when a heavy influx of the crop into commercial channels generally depresses prices. It will produce a more orderly marketing pattern. It should decrease, if not eliminate, potential transportation bottlenecks at peak postharvest periods. And it will help Canadian farmers to get reasonable returns for their products.

The legislation will also have benefits for the consumer. By not flooding the markets after harvest, Canadian producers will be able to provide a continuing flow of produce to the consumer, at a reasonable cost. Because Canadian producers will have access to the advance payments program and because the crops could be stored after harvest, the produce could be brought into the market when required. This ensures consumers a continuous supply, eliminating possible shortages and the consequent price rises later in the season.

It is a pleasure for me to support an amendment to Bill C-2. After consultation with and consideration by the Standing Committee on Agriculture, we have agreed to amend Bill C-2 to include honey and maple syrup as crops eligible for advance payments. The Advance Payments for Crops Act has been kept flexible for just this purpose—so that as many Canadian farmers as possible can take advantage of the benefits under

Advance Payments for Crops

the legislation. The act provides the legislative authority for the federal government to guarantee the repayment of advance payments on storable crops. In addition, it will guarantee the interest on such advance payments when they are made in accordance with the provisions of the act.

Honey and maple syrup producers have similar problems to other Canadian farmers. The Canadian honey crop, which was about 46½ million pounds in 1975, had a market value of over \$23 million. Our maple syrup industry, which is centred in Quebec and Ontario, produced 1.4 million gallons of syrup in 1975 with an estimated value of over \$12 million.

The advance payments program will enable Canadian honey and maple syrup producers to receive interest-free advances in the critical post-harvest period when they need cash to cover their costs of production. All too often, the rush to sell the crop results in congested markets or depressed prices. In addition, it can result in the loss of efficiency in marketing and loss of profitability. We have in the past assisted different producer groups of honey and maple syrup under several other federal acts. Although these two commodities were not mentioned in the original draft of the legislation, I agree with the Standing Committee on Agriculture that these resource-based products should be covered specifically in the act to avoid any confusion.

For the producer organizations set up to market and promote honey and maple syrup, only slight modifications will have to be made to their present organizational structure so that they can take advantage of this legislation.

● (1730)

[Translation]

Farmers can make use of that legislation by gathering within legally incorporated associations. For the time being, more than 20 organizations or groups will be eligible as soon as the legislation is passed and the related regulation introduced. Some other farm organizations, 10 to 15, will be able to avail themselves of the legislation by bringing a few changes to their structure so that they meet the requirements of the act. The rationale for the bill is nothing new in Canadian agriculture. The act will allow farmers to get a cash income for their storable crops when they need it most. That is why farmers and wheat, oats and barley producers out of the area under the authority of the Canadian Wheat Board also asked to make use of interest-free advance payments.

The objective of the program as explained in the bill is to allow producers to get cash payments. The government undertakes to pay the interest, and in case of non-payment by a producer, it ensures that payment to the association. For the crops covered by the bill, there are no such marketing controls as those applied to wheat, oats and barley under the Canadian Wheat Board system concerning delivery quotas and common pricing. To assess the best means of giving advance payments to the producers, as provided by the law, we had to draft a bill which would limit the guarantee given by the government to producers and organizations providing adequate controls to guarantee the repayment of the advance. I should draw your