Supply

They are in the \$260 a tonne range. Everyone says "Look, we want to get our income from the market-place" Soybean growers for the 1987 crop will get, by our estimates, very, very close to what they got from the market-place in 1985, hence, no payment.

If you are going to establish some of these programs that have criteria, surely you have to base them on what is going on in the actual market-place and make your payments based on those kinds of criteria. That is what we have done. Every other producer should be so lucky. What if we went to people who grow wheat or barley and said "There isn't going to be much of a payment because wheat prices are back to the 1985 levels, what would you sooner have, the support that is coming from the Special Canadian Grains Program or the same prices you got in 1985?" Everybody would say "Give us the 1985 prices". Very simply, when you look at the figures, you will see the point I am making.

The third point the Member raised is the WGSA. People chose either to be in the program or out of the program in 1976. They had to make a deliberate choice. People who chose not to be in the program and now see part of the deficit being written off, I think, have a very legitimate and valid concern. They say, "Look, the rules have been changed part-way through the program, part-way through this crop year". The rule change being that the Government has decided to write down part of the deficit by \$750 million. Producers outside of the program with some considerable justification say, "We don't mind the fund making payments on the basis of money that goes in from the producer and the Government the way the plan was originally intended to operate, but when the fund gets into such a large deficit—"the Hon. Member knows the numbers and I am going through this very quickly because it will take 10 to 15 minutes to explain this thoroughly and I am sure the Member understands that "—it risks becoming totally insolvent. The Government does not want to see that happen. The producers that are a part of it do not want to see it happen. So the Government stepped forward, and we have to say thank you to the Minister of Finance for the \$750 million which is not an insignificant amount of money, with which we are going to write down the deficit. Producers not part of the program say that they should have part of it. They have a very legitimate concern. We say that we will also alter the rules for then, the producers, who are not part of the program for the 1987-88 crop year.

We will be bringing forth amendments quite quickly—I cannot say we will guarantee this but I do not see any reason why we will not have the amendments in the House and well along at committee stage and hopefully we will be able to pass the Bill as quickly as we can, so the producers who are not part of the plan now will have a chance to join it as of August 1, 1987.

Between 10 and 15 per cent of producers are not in the plan. They will also have a chance to join on a much more attractive basis than they had as of the beginning of this year. Considerable more benefit will go to them in the present crop year than

had they joined August 1, bearing in mind that they are outside of the plan now and there is nothing in the legislation that allows or gives them the opportunity to have any benefits from the present plan.

Third, we want to open the plan up so that more producers can contribute more crops, virtually all of the specialty crops, so that we get away from just the major crops. On that basis, it becomes more market neutral. The amendments we are talking about are quite substantive. To give you some figures, Mr. Chairman, the amendments we are talking about, depending upon how many producers join, will see as much \$80 million to \$100 million going to producers who are not now part of the Western Grain Stabilization Plan.

I have had producers approach us who say they want to have the plan retroactive to 1976 when it first started. I do not think we can accomplish that. That, in my mind, is not legitimate or fair-minded. What we can do and what we are proposing is to give people who are not now part of the plan an opportunity to be part of the payments for the present crop year. I know this will not satisfy everyone and it will not go as far as some people would like, but it certainly will be a considerable benefit to producers who are not part of the plan. Obviously, the last thing we will have to do is raise the levy.

To clarify that, if I heard the Hon. Member correctly, he is not accurate in what he says about the levy. It is not two for one. The producer contributes a percentage of his gross sales. He contributes presently 1 per cent of his gross sales to a maximum of \$60,000 which means the most any producer can contribute is \$600. The Government contributes 2 per cent more than that, so the Government contributes 3 per cent. If we raise the levy, for instance, to 4 per cent, the Government would contribute 6 per cent. It is on a percentage basis as opposed to one for two or one for three. We are looking at raising the levy rate to help keep the deficit down.

Let me make one more brief response, if I may, in answer to some of the concerns raised by the Hon. Member for Winnipeg North Centre. The Member can stand up in the House and say that he does not like our policy, but he should not accuse us of not having a policy because we certainly do. What that tells me is that speakers this morning from the New Democratic Party do not understand what the Government has been doing in long range policies as far as agriculture is concerned.

Just to make the point, we have policies. New Democrats may not agree with them but they are very simple and fundamental. I will send the Member a copy of the initiatives that we announced on December 15 because they are quite substantial in commitment. It is approximately a \$3 billion commitment which covers many auspices. It is not only cash injection, it is down the road research, soil conservation, market development; the whole thing. The fundamental facts of Canadian agriculture are that 50 cents of every dollar a Canadian farmer takes in comes from trade. That is a fact. We cannot close our borders and sell all our product to Canadian consumers. We produce in abundance. We live in a very,