

*Wheat Export Prices*

farmers are facing, it is a long range problem. Furthermore, the Bureau of Statistics farm cash receipts report of July 9, 1969 points out that the total market returns to the producers of wheat at the time of delivery was down \$60 million.

Let me say to hon. members that the farming industry is the only industry in this country that is asked to operate on less than what it costs to operate. Unfortunately, the farmer does not have the ability to set the price for what he produces; he has to accept the market price given to him.

What happened as a result of this cash crisis is that farmers face cost of operation which has gone up in the last 20 years by more than double whereas the price he receives for what he produces has gone down. It has been said by the Minister of Agriculture that those farmers who have stock are not so badly off, but one must remember that the prices farmers get for cattle today, even though they are higher than they have been, are not more than double what they were 10 to 20 years ago. At the same time the farmer is being asked to take something like  $\frac{2}{3}$  of the price for coarse grains and considerably less for wheat because he is often forced to sell his wheat to feed lots of 60 or 70 cents a bushel instead of 1.50 at the least. As a result he is caught in this price squeeze about which he can do nothing.

The farmer is not asking for charity, he is asking only for a fair price which will cover the cost of production and give him something to live on besides. To justify the action I have suggested let me point out that the farmers can provide evidence to the effect that no industry has improved its efficiency as much as the agricultural industry in the last 20 years. That is the only reason farmers have been able to survive.

In view of this deficit cash position the western farmers are in trouble. This situation does not only affect the western farmer but the farm implement dealers as well. We have been told they have dropped 50 per cent of their sales this year. The Saskatchewan Implement Dealers Association reports that the decrease in the sales of grain will result in 50 per cent of its 450 members being forced out of business due to an inability to finance inventory.

We do not have to consider only farm implement dealers. What is the situation in respect of the farm fuel dealers and the problems they have in collecting money for fuel necessary for the operations of the farm? It is

[Mr. Thompson.]

all right to compare a farmer to a fisherman, but a fisherman does not operate without a boat, and a farmer today, as efficient as he is, cannot farm without equipment and a heavy overhead cost.

I agree with the Canadian Federation of Agriculture in its protest to the federal government and the statement which came out of a meeting of July 16 which reads:

All agree there is a crisis in the prairie grain economy—a crisis of low income caused by falling prices and sales. Detailed proposals have been made by the federation to the federal government for short term assistance, for minimum price maintenance, for a more adequate domestic wheat price for human use, for a systematic longer-term policy approach. Yet no response to these proposals has been received by us one way or the other.

• (10:30 p.m.)

There is one exception. A week later there was a response by the Prime Minister when he said, "we are going to put in \$250 million as a cash injection into the western economy". This was not something he decided last week. This was something this house approved several weeks ago. But again it has no relation whatsoever to the long range and basic problems that the farmer faces, and it is small wonder that the farmer reacted in the angry way he did. The Canadian Federation of Agriculture said specifically that the government has done nothing for the grain farmer except to increase his advance payment and help him go deeper into debt. This is what we have done three or four times through different pieces of legislation this past year. The federation says that the government has failed to take the action necessary to set up national marketing boards which have been requested by producers. A request for a Canadian egg commission was made more than a year ago, the federation stated, and there is still no answer in this regard.

The government has fobbed off producer requests for federal-provincial producer discussions once a year at which producer representations can be received. Then, there is the Agricultural and Rural Development Agency, known as ARDA, which has been lumped together with the new Regional Economic Expansion Department which no longer has any agricultural base at all. These are some of the other things about which the farmers are angry.

In the short time at my disposal here this evening let us come back to some of the suggestions that have been made today by the Minister of Industry, Trade and Commerce