

GRAIN—WHEAT—ADDITIONS OF UNUSED PORTION OF
LIFT PROGRAM FUNDS TO TRANSITIONAL
PAYMENTS

Mr. John Burton (Regina East): Mr. Speaker, on May 12 I asked the minister responsible for the Canadian Wheat Board the following question:

In view of the fact that only \$53.7 million of the \$100 million voted for Operation Lift has been paid to farmers, and since the minister has expressed satisfaction with farmer response to the program, is the government considering adding the unspent portion of the money voted to the transitional payments provided for in Bill C-244. This would be done, of course, after making allowance for certain payments still to be made.

The minister replied:

—of course the \$100 million associated with Operation Lift was an estimated figure of the amount which would be used if farmers took the fullest possible advantage of the program. The amount spent indicates exactly the extent to which they took advantage of the program and the extent to which cash flow increased in the prairie region under that policy.

I asked the further question:

Does the minister then renege on the \$140 million figure that he originally gave to the House of Commons?

After a moment or so the minister responded with a question of privilege and said that at no time had he indicated to the House of Commons a \$140 million figure, although he acknowledged that it was true that some press headlines had used that figure.

I wish to deal with two aspects of the point raised in my question tonight, Mr. Speaker. The first concerns the transfer of the unspent portion of Operation Lift funds to the transitional payments provided for under Bill C-244. This would then add between \$40 million and \$45 million to the funds available to western farmers and would bring that sum up to between \$140 million and \$145 million. This money, I think, is very much required because of the very serious economic conditions facing western farmers which I am sure the minister would acknowledge.

The minister indicated in his answer that that program was set up to achieve certain objectives and that the payment was based on the response of farmers to the program. This, of course, is true. It must be noted, first of all, that the minister on a number of occasions last summer expressed his satisfaction with the response of farmers to that program. Thus, I suggest that he ought to have no objection to transferring the remaining funds to the transitional payment program proposed in Bill C-244.

The minister should also note that when we deal with the amount of money provided under Operation Lift, we are really dealing with money that was voted for the western farmer. People all across Canada have the clear impression that \$100 million was paid to western farmers, whereas actually only \$53.7 million was paid out to those farmers. Nevertheless, all government publicity as well as the manner in which the program was presented left the impression that \$100 million was paid out. In addition, the further impression was left that some \$140 million was paid out.

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I know the minister has expressed concern on a number of occasions about people in the rest of Canada being under a false impression as to what was being done for the western farmer. Certainly there is a false impression abroad now, because \$140 million has not been paid out to the western farmer. There has not been \$100 million paid out to the western farmers but only some \$53.7 million. This is money which was voted for western agriculture and which is urgently needed at the present time. It would help stimulate the economy in that portion of Canada and would have consequences in other regions of Canada as well.

● (10:20 p.m.)

The second point I wish to deal with concerns the minister's statement that at no time did he say the figure was \$140 million. I checked through my records and have to acknowledge I cannot find any instance of the minister using the figure \$140 million at a particular point in time, but I submit that on every occasion he dealt with the subject he quoted a set of figures which could only add up to \$140 million as being the largest sum potentially involved in this program. That is what he referred to in his first answer to me as reported in *Hansard* at page 5740—that \$100 million would apply, provided farmers took the fullest possible advantage of the program.

In his press release of February 27 he referred to taking 22 million acres of crop land out of production. He referred to \$6 per acre which would be paid to farmers. He referred to two million acres which would be eligible for forage payments, and he also referred to \$4 an acre which could be paid in respect of the forage program. It was stated that the estimated actual cost of the program was \$100 million but that this was not the fullest possible potential of the program. The Minister of Agriculture (Mr. Olson) was a good deal more frank when he answered a question by the hon. member for Mackenzie (Mr. Korchinski) on March 22, as reported at page 4223 of *Hansard* of 1970. The minister stated at that time:

If you take the 22 million acres which was seeded to wheat last year and multiply that figure by \$6 per acre, and if all of it goes to summer fallow, that will be \$132 million; and if you take the two million acres at the \$4 per acre we are offering for forage crops, you will find that the \$8 million and the \$132 million come to \$140 million or precisely the figure.

So it is clear that the potential capacity was \$140 million, I feel there is no justification for suggestions that only \$100 million were involved as the maximum potential figure. The minister's colleague used the figure of \$140 million and the figures he used in his own statement add up to nothing else than \$140 million. I do not think he will deny that his officials also used the figure of \$140 million, and this sum was referred to on many occasions in the press as representing the full potential of the program.

I urge the minister to ensure that the \$40 million to \$45 million unspent on Operation Lift are transferred to the transitional payments program and added to the \$100 million provided for in the bill as it now stands. I suggest he should reconsider his statement about the \$100 million