

Wheat Export Prices

the cash flow through the farmers' hands has not been reduced in 1969 but is, indeed, substantially higher than it has been in the past. This is mainly because a large part of the farmers' agricultural enterprise is based upon livestock, the prices of which have risen significantly in the last six or eight months. So if we are to be fair and honest in our analysis of the problem, making advances on the wheat farmers have in store is the way to provide them with an income. This refers to farmers who rely on wheat for their income.

Commencing August 1, as the Minister of Industry, Trade and Commerce (Mr. Pepin) has already announced, there will be full reinstatement of the entitlement of every permit holder, producer if you like, to go to his elevator agent and obtain \$1 a bushel, times the number of specified acres in his permit book, times six. This is regardless of whether or not he has been able to deliver sufficient wheat up to July 31 this year to retire the cash advance made during the 1968-69 crop year. Hon. gentlemen opposite, and perhaps farmers in western Canada, have the right to an explanation of what this means. It means that on August 1 and thereafter, the farmer will be able to go to his elevator agent and apply for a cash advance if he has grain on hand, which we assume he has. He will immediately get \$6 per acre, times the acres on his permit book, up to a maximum of \$6,000.

Mr. Korchinski: Provided he has not had a loan.

Mr. Olson: His having had an advance will not interfere with his entitlement for the new crop year. That is the statement made by the Minister of Industry, Trade and Commerce in June.

Mr. Korchinski: You had better explain that.

Mr. Olson: Hon. gentlemen opposite should have listened to that statement and understood it.

Mr. Korchinski: You had better explain it, because the press do not understand it.

Mr. Olson: We carried out some calculations in this regard. If you subtract the acres in excess of 1,000 that are in the permit books, you arrive at 472 million acres. If every farmer in western Canada had the necessary amount of wheat and applied for a payment of \$1 a bushel on his wheat, there is the potential of injecting \$472 million into the

western economy. That program is already under way. Of course, every farmer will not have the necessary maximums of wheat; therefore, we have to scale the program down somewhat. The Prime Minister (Mr. Trudeau) said in Lethbridge last Saturday that the program would probably amount to something in the order of \$250 million.

Mr. Bigg: In two years.

Mr. Olson: In one year. In fact, it could happen in 90 days. The program is already under way and will be effective in nine or ten days, I believe. Two hundred and fifty million dollars is a fairly substantial amount to inject into the economy during the next two or three months. Indeed, it will be available on August 1. However, I am realist enough to know that all the qualifications needed by a farmer to make application will not be present at that point in time. I suggest that after they harvest their 1969 crop and have wheat on hand, they will be able to qualify. That is a fairly realistic amount of money. As I say, it is somewhere between \$250 million and \$300 million. This amount will be injected into the western economy and will assist in the grain harvest this fall.

I ask members of the opposition to compare this with the references made to past glories when \$1 an acre, up to 200 acres, was injected into the economy. This program gives five times as much. There is one other thing that should be made very clear.

Mr. Bigg: Mr. Speaker, would the minister permit a question?

Mr. Olson: Mr. Speaker, the minister will permit a question if he has time at the end of his remarks. Let us be very clear on one point. Arguments have been put forward that farmers do not wish to go into debt in order to take advantage of the cash advance. There is no debt, in terms of money, which has to be repaid until a farmer has been given an opportunity to deliver his grain to the elevator, and is unable to do so. Then, of course, it becomes a debt and is repayable in cash; that is, if he is given an opportunity to deliver and does not do so. That is the only qualification. In the meantime, there is no interest on the advance; the carrying charges are paid by the government of Canada through the Canadian Wheat Board. Let there not be any confusion about its being the farmer's own money in this respect.

Mr. Gundlock: Mr. Speaker, I rise on a point of order. I remind the minister that any