

The honourable senator will be aware that the Minister of Agriculture and others have been meeting with representatives of farm groups on a continuing basis, and that consideration is being given to the kind of assistance that could be provided by the federal government.

The honourable senator will also be aware of the statements made yesterday by representatives of the federal government that any assistance that we might provide should be product-and-market neutral. Therefore, his questions about the timing of any announcement are answered by that.

Senator Olson: Well, honourable senators, I have a supplementary question, if I may.

I wish that it were true that whatever my policies may be might have some effect. The fact is that we are not in office at the moment. The Progressive Conservative Party is in office at the moment, and it is what they are going to do that matters to the farmers, not whether or not I have suggestions that are different. That is why I want to know what the government will do.

I ask the Leader of the Government very sincerely: What are you and your government going to do? Do you have any programs now under consideration that have reached a stage where they can be useful to farmers who need to know the basis on which they can obtain credit, starting now? It is not something that can be arranged later. I think he said yesterday that the prices may be announced in the middle of April, which he implied was the usual date. I would like him to know that that is wrong. That is not the date on which it was usually announced, it was announced earlier than that. That may have been the date since this government came into office, but it was not the middle of April in the past. It was announced in time so that farmers could take that into account in their seeding plans, which are made earlier than the middle of April.

The situation is quite desperate now. Can he give us some assurance that this government has some sympathy for farmers who are going to the banks that they have gone to for years and who are being told, "I am sorry, it looks as though even the initial price is going to be cut by 20 per cent. We are unable to give you any credit on the basis of that, except at a lower level than we did last year."? As I said a while ago, even last year it was too low.

Can we give any comfort to farmers who are trying to make plans to seed their crops?

Senator Murray: We are not operating in a policy vacuum. The honourable senator knows that farm incomes in the aggregate improved in 1986, but he is referring, of course, to grain and oilseed producers who have certainly not shared in this recovery.

The government has already announced the \$1 billion Special Canadian Grains Program for 1987. This is in addition to other assistance which is available to grain producers, including payouts under the Western Grain Stabilization Act.

The honourable senator knows, because we discussed it yesterday, that third-party reviews are available through the farm debt review boards for farmers who are in financial

difficulty. He also knows that there are Farm Credit Corporation commodity-based and shared-risk mortgages; FCC interest rate write-downs; small business bonds; crop insurance and income stabilization and subsidy programs. We are not operating in a vacuum. All the programs that are available are being brought to bear to assist grain and oilseed producers as much as can be done.

If it is possible to bring additional assistance to them, we will do so. Discussions are taking place in that regard between the government, representatives of farm organizations and the provinces.

The honourable senator is well aware that there is a limit to what we can do.

Senator Olson: I should like to ask a supplementary question. I am aware of all of those things, and I am also aware of one other thing which is even more important than all of those put together, and that is that a 20 per cent reduction in the gross revenue—that is the price of the grain—amounts to more money than all those programs the honourable gentleman mentioned put together. I am talking of 20 per cent of the gross receipts, if the price is cut by the amount rumoured. When I say "rumoured," I use that term rather loosely, because apparently the Canadian Wheat Board has made that recommendation to the government. I do not know whether the government will accept it or not, but I do know that when a farmer goes to a banker and asks for credit which he needs to seed his crop, the bank will tell him, "It looks like your gross revenue is going to be cut by 20 per cent." The initial price is all that is going to be paid. There will be no surplus to make a final payment. In fact, the pool for 1986-87 is in deficit to the tune of \$200 million already—at least that is what we hear.

All of those things mentioned by the Leader of the Government do not add up to the amount that is being lost because of the rumoured cut of 20 per cent. That is what the public and what the bankers know. Can the government not come clean with a program to help farmers who are in this desperate situation, where the banks have cut them off because they believe that their gross revenue receipts will be cut by 20 per cent?

● (1410)

Senator Murray: Honourable senators, the farmers will be assisted a good deal more by the actions of this government than they will by the rumourmongering of honourable senators opposite.

Senator Olson: If it is rumourmongering, will the government come clean and tell us what the facts are? How much is it going to be?

Senator Murray: I told the honourable senator that the government receives confidential advice on the matter from the Canadian Wheat Board. It also obtains advice from other sources, as he is aware, and it will make an announcement by mid-April, as I indicated yesterday.

Hon. Hazen Argue: I wonder if the minister is aware of the Agricultural Stability Action Committee in southern Alberta? It is really an all-party committee that got together and