

Canada Grain Bill

What is troubling many farmers in western Canada is the constant report that the system may be rationalized so there will be only a few terminals, perhaps 30 or 40 throughout western Canada. This will mean farmers hauling grain for 100 miles or more. This might be considered to be in the interests of efficiency. There is considerable fear that the government might, through its backroom boys, bring forward this rationalization system. This is not necessarily the answer. When a farmer has to haul his grain too far, it is a very expensive proposition. Even though the terminals may be very efficient in themselves, this extra cost to the farmer is substantial.

I was glad to see that an amendment to Bill C-196, to the effect that the producer would have the right to load grain over the platform, was accepted. This is a very important and basic right that the individual producer should have. In the matter of rationalization of the movement of grain, we must consider the railways. There is some talk about unit trains, and so on. This may be envisaged for the future, but we must remember that the facilities on the west coast, where much of our grain is handled, are inadequate to handle the volume that will probably be involved in the future. There does not seem to be any doubt about this. Government authorities will have to increase the amount of grain storage and the grain handling facilities on the west coast if the industry is to function at anything like the level of efficiency necessary.

The minister, in his explanation to the House on clauses 108 and 109, discussed the 1 per cent levy for the Prairie Farm Assistance Act. Needless to say, this is an interesting item. This 1 per cent levy has been in existence for many years and it seems to have drawn a mixed reception from many farmers. In my experience, many of them feel this levy may have outlived its usefulness and little practical use is made of it.

It is my impression that the PFAA has provided a very useful means of providing disaster relief to those farmers who usually do not carry crop insurance. I have found that many farmers have decided that crop insurance is too expensive, unsuited or unfitted to their particular circumstances. There are still many farmers who to some extent need to be treated as social cases when circumstances make it impossible for them to become operators of good, economic units in a so-called economic sense. It is important that at their age they continue to do what they have been doing all their working lives.

The Prairie Farm Assistance Act has provided a measure of relief to the low-income farmer who for various reasons does not wish to take out crop insurance. Unfortunately, the PFAA has not been upgraded since its inception in 1939 when it was designed for the era of the horse and buggy. It could stand some upgrading in order to become a more useful tool to help farmers who are in real distress. This measure has rarely cost the federal government more than has been collected through the 1 per cent levy. On only two occasions during 30 years were substantial payments made out of the federal treasury. I believe that as a means of government subsidy in times of severe crop failure, this is one of the most

[Mr. Ritchie.]

efficient ways of providing assistance in areas where it does the most good.

Regarding the announcement of the minister in charge of the Wheat Board, with his so-called proposals for a production and grain receipts policy for the western grain industry, the suggestion is that a 3 per cent levy be charged against the grain sales of producers which, on top of the 1 per cent for the PFAA, makes quite a formidable charge. When it is considered that payments to the Temporary Wheat Reserves Act amount to \$50 million to \$70 million per year, and that this will be transferred out of the Consolidated Revenue Fund as a charge to the farmers' pool, it can well be seen that a levy of 4 per cent to grain trade producers on delivery of grain to the elevator will be severe. In the coming months this matter will receive a great deal of considerations and discussion. I do not think the 1 per cent charge in respect of the PFAA should be discontinued unless there is an adjustment in other levies.

Having been a member of the Committee on Agriculture during a part of the discussion last year on Bill C-196, I am glad that 26 amendments were incorporated into the new bill. I think this will go a long way in meeting the objections of the producers and the grain trade both privately-owned and farmer-owned. There are further amendments that can be made to improve this bill. I hope the bill will be referred to the agricultural committee for the purpose of improving it.

• (9:00 p.m.)

Mr. A. B. Douglas (Assiniboia): Mr. Speaker, I do not wish to unnecessarily prolong this debate, but I feel I should place my remarks on the record concerning the desirability of getting the revised Canada Grain Act into operation at an early date. While it is true that wheat sales will be somewhat higher in this crop year than they were last year, they may still be far short of the total exported in the peak years from 1963-64 to 1966-67, inclusive, when our wheat and wheat flour exports from Canada averaged 522 million bushels per year. I would point out in passing that those were all years under a federal Liberal government.

Mr. Dinsdale: And so are the present years.

Mr. Douglas (Assiniboia): The current level of exports is still far below the productive capacity of our Prairie farmers. In 1966-67 we produce 827 million bushels of wheat in Canada. Even with the improved outlook for wheat sales we are experiencing, farmers are being asked to hold wheat acreage down to 20 million acres in 1971, which could mean a production of about 500 million bushels.

The improved sales which have taken place have been mainly to countries that do not yet require a guaranteed protein level in the wheat they buy. However, an increasing number of major wheat importing countries demand a guaranteed protein level in the wheat they purchase. We are at a disadvantage in these markets. Most of the farmers in the Prairies are heartily in favour