

Oral Questions

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, I am sure the hon. member or at least I really believe the hon. member is not saying that the some \$650 million that was put forward on the third line of defence to bring the grains and oilseed producers over into the safety nets of GRIP and NISA is nothing.

An hon. member: That is not enough.

Mr. McKnight: One member from the Liberal Party says that is not enough. I understand that it is difficult at this time, but I remind colleagues that the third line of defence committee met in September in Winnipeg, addressed this issue and recognized that the very system the hon. member is criticizing is a system that was identified by producers, the provincial government and the Government of Canada to assist grains and oilseeds producers through this very difficult time, until stabilization through GRIP and NISA can be achieved.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, the minister will recognize that throughout the negotiations it was understood by all of the negotiating parties that third line of defence would apply for those periods of time when GRIP and NISA were not in effect, which is namely the crop year that has just finished.

When is the government going to make the third line of defence an effective program, rather than introducing red herrings such as was produced in April which reduced the premiums that were expenses farmers did not have before GRIP and NISA were introduced? When will it address the real problem of a shortfall of \$1 billion?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, as part of the assistance through this bridging process there was assistance provided by the Government of Canada on the premium of 25 per cent for the gross revenue insurance program.

If the hon. member is saying that the 25 per cent of that premium being paid by the people of Canada is not of any benefit, I think producers would object to that.

If the hon. member is saying that the total contribution that the federal government is making through NISA to producers who are claiming assistance under NISA at this time is not of benefit then I am sorry. There are over \$650 million for last year being put at the disposal of

producers, plus this year there will be some \$2 billion to producers for the 1991 crop.

Again, Mr. Speaker, I say to the hon. member through you that he may object to the price of \$2 for wheat. I object to it also, but I do ask him to take a look at producers who have grain on the ground, the bins that are overflowing, and ask him for his help along with his colleagues so that we can move grain and so that producers are able to take advantage.

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, my question is also for the Minister of Agriculture.

We have a crisis on Canadian farms. These are the people who produce food for Canadians. A standing committee of this House recognized that crisis in late August and unanimously passed a motion calling upon the government to provide, on an emergency basis now, aid to Canadian farmers in order to help them survive this year.

I remind the House that this was a unanimous decision and motion. What is going to be done? Nothing has been done yet.

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, I want to say to my colleague that although there may be differences as to the amount of dollars provided, I think all members of this House recognize the assistance that has been put in place at this difficult time.

Members on the government side and members in the opposition benches understand that it is a difficult time in the agriculture community, not just in the grains and oilseeds industry. Specifically, with the grains and oilseeds producers we have provided as a bridging mechanism some \$650 million last year. That includes cash advances and NISA, which producers at this time may collect. There is even an opportunity for provinces to add additional funds to those NISA accounts and some provinces have taken advantage of that.

I refer the hon. member to the \$2 billion. When NISA starts to flow between September and December, there will be some \$337 million flow under NISA. In the first interim under GRIP there will be approximately \$406 million. There will be another interim under GRIP of—