

*Adjournment Debate*

hope the parliamentary secretary will tell me differently. This year sales will have to be increased by 25 per cent. We had record sales last year and we will probably reach close to the same level this year. This 25 per cent increase in one year will be necessary so that the wheat producers can maintain their incomes because the price of grain has been lowered that much. I hope the parliamentary secretary will tell me what steps this government is taking to move an additional 20 per cent or 25 per cent so that the farmers will have the same income they had last year.

**Mr. Robert Bockstael (Parliamentary Secretary to Minister of Transport):** Mr. Speaker, when making comparisons of initial payment levels, it is important that we compare equivalent levels. The initial payments announced yesterday by the minister in charge of the Canadian Wheat Board have been compared to both the levels established in July, 1980 and the adjusted levels of last February.

The hon. member for Kindersley-Lloydminster (Mr. McKnight) is attempting to aggravate the situation by comparing only with the revised adjusted prices of last February. I suggest that the only fair comparison is with last July's levels. On that basis, the new initial prices are the same as, or in most cases higher than, they were last year except for durum. In announcing the new prices, the minister stated that if international prices strengthen in the next six months, as they did

within the last year, he will certainly consider adjusting the initial prices as he did this year. The initial payment is contingent upon market forecasts, estimated crop yields and sales trends.

The hon. member knows, probably better than most of his colleagues, what the initial price system is designed to do. As some would have us believe, it is not designed to guarantee that a producer's income exceeds his income of the previous year. There are other programs which provide income stability, such as the western grain stabilization program and crop insurance. The initial price system does, however, provide security in the sense that a farmer is guaranteed a minimum price for the current year. But that minimum must reflect the fluctuations in international prices. This year durum is a case in point. Durum is traditionally volatile, and its present soft international price is necessarily reflected in the initial payment levels announced.

The hon. member can be assured that the realistic and responsible initial prices just announced provide producers with the best return on delivery of grain that is possible at present.

**Mr. Deputy Speaker:** The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 11 a.m.

At 10.29 p.m. the House adjourned, without question put, pursuant to Standing Order.