

*Proceedings on Adjournment Motion*

the repayment formula under the Prairie Grain Advance Payments Act. I originally raised the question on Wednesday, February 10, as recorded at page 3248 of *Hansard*.

I place this question before the minister, for consideration, in all sincerity and all seriousness, hoping that my appeal will not fall on deaf ears. The critical shortage of cash in the west, as a result of depressed farm income, is strangling the economy of the rural prairies. It is destroying the spirit of those engaged in agriculture. It is creating uncertainty for spring planting operations. It is creating apprehension among the rural merchants upon whom most producers rely for credit, particularly since many have not been able to discharge last year's debts. The Farm Credit Corporation is badgering, foreclosing or threatening to foreclose. Banks are pressuring for payment. Some are renewing notes at exorbitant rates of interest and among the population the feeling of helplessness, anger and frustration is rapidly developing.

● (10:00 p.m.)

I recently mailed out a questionnaire seeking opinions and guidance on current farm policy. I wish to report to the House that the response indicates that the climate is not too healthy: all is not well. The majority of replies carry with them a message of downright apprehension, disgust, frustration and in some cases a note of militancy. With Your Honour's permission, I wish to record extracts from some of the letters I have received. The first is from a farmer in the Minburn, Alberta, district who writes as follows:

I am a farmer in your constituency and up till the past year I have been able to keep my mortgage payments paid up to date but owing to the new quota system and the very low price for hogs I have been unable to pay my last year's mortgage payment and now they are foreclosing on me. Is there anything you or the government can do to stop things going on like this?

The next is from a farmer from Vermilion, Alberta:

Through no fault of mine I have gotten into debt along with hundreds of other people.

I have been paying on these debts every year all I could, as well as living expenses for my family.

We are being showered with threatening letters. They have added 12 per cent interest.

We do not want to be forced off our farm and into the ranks of the unemployed and homeless.

The worst creditors are the banks and wealthy companies.

Is there anything being done about some protection for debtors?

The next is from St. Michael, Alberta:

If the government doesn't change its policies and stays in power for a couple years, all the smaller farmers will go broke. Up till now the quota for wheat is opened to 4 bushels. I can sell 308 bushels of wheat. My tax is \$350. How can I make a living on a farm?

A reply to my questionnaire from Smoky Lake, Alberta, reads:

I feel that the present Liberal government has blundered enough without recommending any more changes. Mr. Trudeau's government has done nothing but harm the rural people by its

[Mr. Mazankowski.]

meaningless changes in legislature. One example is the cancellation of the quota system. That's where the small fellow gets hurt the most. In other words the present government has given the farm people nothing, nothing and more nothing—

This is an example of the feeling of the people in my constituency. Why has this situation developed? It has developed under the maladministration of this government and its lack of concern for rural Canada. We have achieved some new records under this administration.

I now wish to deal with net farm income. In 1967 the total net farm income in Canada was \$1.65 billion. The prairie region recorded better than 50 per cent, \$951 million. Today that figure has dropped to \$444 million, the lowest in 15 years. When we take into consideration the value of inventory changes, we see a real net income in the prairie provinces of \$174 million. That is less than \$1,000 per farmer in the prairie region. When we consider the inflationary factor in relation to that which was given in 1955, 15 years ago, it is worse than the depression.

In the October issue of "Canadian Farm Economics" we find that for the first time in Canadian history, Canada recorded an agricultural trade deficit of \$35 million. These are the kind of records the government has achieved. With regard to the implications for the future, it reads as follows:

Will Canada be a net agricultural importer in 1970 and 1971? The answer is a tentative "no", but for the longer run, the outlook is less clear.

It further states—and this is the attitude of the government:

There is nothing inherently wrong with a country's being a net importer of agricultural products. In fact, on the basis of an efficient allocation of the available domestic resources, many countries should accept this situation as an economic reality.

I submit this in shameful, disgusting and downright senseless. When we relate this dismal performance to the actual producer, who is the victim, we find that in Alberta, for example, which has fared a little better than the major western provinces, his annual income is \$1,325. This is deplorable, worse than the depression. Out of this the producer must pay taxes, fuel bills, his fertilizer bills, his Farm Credit Corporation loan, his farm improvement loan, his bank note and his additional operating expenses.

For this reason I appeal to the minister to give consideration to an adjustment of the repayment of cash advances. Since my original submission, and after some research and study of the matter, I now have no choice other than to recommend that the minister propose a full moratorium on the repayment of cash advances until such time as conditions improve. Surely this is not asking too much. It would not be a hand-out but merely an accommodation. I submit that this extension would provide a temporary measure of relief, a stop-gap if you like. I know the minister will answer by saying we are going to adopt the grain stabilization proposal. I suggest this would only be adding insult to injury. It will take another 3 or 5 per cent off the gross receipts, which is more like 12 per cent of net receipts.