

Grain Advance Payments

apply some of that money to the cash advance previously taken, previous action we have taken in regard to cash advances might have required him to pay interest on the advance he had taken. This, therefore, will avoid that problem as well.

I therefore commend these changes to hon. members. I understand that there is a general willingness to see this bill disposed of at all stages here; I am thinking of the proposition that the matter might be referred to a committee of the whole rather than to a standing committee. I see that the hon. member for Winnipeg North Centre (Mr. Knowles) is shaking his head. If that is not the general agreement, I will leave the matter there and simply commend the bill to the attention of hon. members.

Mr. Gordon Ritchie (Dauphin): Madam Speaker, I welcome this opportunity to speak about this bill. In a general way we in our party agree to the amendments which have been brought forward. It is well-known political history that a bill such as this was originally brought forward when the right hon. member for Prince Albert (Mr. Diefenbaker) formed the government. It has been one of the most useful pieces of legislation for the western farmer. It has sometimes been forgotten by many people how important it has been.

In a general way I welcome these amendments. Particularly valuable are those dealing with damp and tough grain. The situation becomes especially bad in a harvest year, and if quotas are such that grain cannot be delivered for drying, farmers are short of cash and they are faced with difficult decisions. If they do not thresh their grain, they run the risk of losing it completely when it becomes snow-covered while they wait for dry weather which may never arrive. If they proceed to harvest the grain when it is tough and damp, it is saved, but the farmers are faced with the problem of drying it and this becomes an expensive proposition. With the rapid rise in the price of propane which is used for drying, this is no small matter. At 10 cents a bushel, I doubt if it begins to cover the cost of drying damp grain. This might well be an area where the Department of Agriculture research group could investigate procedures which would reduce the cost of drying grain, such as the use of solar energy which has apparently achieved considerable success in the United States and has significantly reduced the cost.

I concur with the amendment dealing with raising the amount of money available when the producer cannot harvest due to inclement weather, that is, when the grain is under snow. On a substantial number of occasions grain must stay in the field over winter and farmers are hard pressed to meet their obligations when this occurs. I would like to ask the minister, when he comments finally on the bill on second reading, to give us an indication as to the date on which a farmer can apply for snow damage and over-wintering damage indemnity. It is important that this date be known. With regard to the collection of money from the cash advance through the change in selling grain for feed grains, on-board grains, I think this meets with general agreement. It follows that it is necessary under the present system of allowing the farmer to sell so-called off-board.

The philosophy of the bill is good. By and large, in contrast with many government actions, many govern-

[Mr. Lang.]

ment boards, and so on, which are involved in agricultural marketing, this does not particularly upset the marketing of grain and does not increase the tendency for excess production when surplus grain stocks exist. It merely allows the farmer to procure cash when through no fault of his own the market as represented by the Canadian Wheat Board is not able to allow him to deliver his grain. This is indeed a necessity and corollary to the orderly marketing system which the institution of the Canadian Wheat Board has made necessary. The fact is that the grains not covered by the Canadian Wheat Board, rapeseed and flax, are sometimes unable to be shipped because of the necessity of control of the transportation of grain by the Canadian Wheat Board.

I would like to discuss the effect and the relationship this bill will have on the export of Canadian grain and our relationship with the rest of the world so far as food is concerned. Great and profound changes in our economy are taking place and it seems certain that the production of food and its export from Canada are in for some fundamental and radical changes. After a period of very high prices a year ago, farmers are noticing that the price of wheat has dropped below \$3 in the futures market on the Chicago exchange, which is the bell-wether which largely sets the selling price of wheat around the world, including the selling price of the Canadian Wheat Board. This comes at a time of vastly increased costs in the production of grain. For example, nitrogen fertilizer now costs over \$200 per ton. That cost has more than doubled in the last couple of years, and it is often in short supply.

In the world at large, the amount of food available has assumed new significance. The general feeling is that the world only nearly escaped serious food shortages following the disastrous crops in 1972 and only now are food stocks being replenished to some extent. This world shortage of food gives rise to suggestions that the western world, especially the United States, should use its vast food surplus as a means of diplomacy and that it should match the OPEC countries in their success in raising oil prices from \$3 to \$12 per barrel; and the OPEC countries hope to increase further the price this fall.

Many proponents of Canada's activity in the world consider food to be of importance. In a speech by Mr. Paul Gérin-Lajoie of CIDA, in Vancouver in 1974, he outlined the factors which govern fundamental food problems in the world, particularly grain problems. He pointed out that hunger is not a new visitation upon mankind, it has been around since the human race began, but in the last 50 years population growth has increased at a fantastic rate. He suggested, backed by statistics, that the world population increases by 80 million per year and in our more affluent society the amount of food needed or consumed also increases. He pointed out that in relative terms the proportion of hungry people in the world has remained stable at 10 per cent to 15 per cent, and this is due to the fact that in the past decade the world's food supply has increased by about 2.7 per cent.

Demographers and agronomists are asking themselves whether the world's food supply can be increased to take care of the expanding population. There are those who would suggest that Canada should make an all-out effort in the production of food for the developing world. Pre-