

In closing this debate I hope the minister will engage in the same way as members of this party did in putting forward their case. I hope he will indicate his willingness to accept amendments so that when the legislation comes back at the report stage we will have a better bill that will do something for the people of the west.

**Mr. Speaker:** Order, please. If the minister speaks now, he will close the debate.

**Hon. Otto E. Lang (Minister of Manpower and Immigration):** Mr. Speaker, I wish to express to hon. members of this House my appreciation for the expeditious way in which they have allowed this very important legislation to be dealt with on second reading and to go to committee. I have been very disturbed by the tactics of some hon. members in connection with the legislation previously before the House. I was concerned that was some indication that they would hold up legislation without regard to the good of the farmers in western Canada. However, I thank them for now allowing this bill to go forward. The indication from the hon. member for Peace River (Mr. Baldwin) that we might expect the same kind of co-operation in committee leads me to hope that we may soon see this measure move forward into law for the great good of prairie agriculture and Canadian farmers generally.

**Some hon. Members:** Hear, hear!

**Mr. Lang:** In the course of my opening remarks I said, and I repeat, how firmly this government holds to the view that it is very important to assist farmers in every way possible who intend to remain in farming and who want to be sound farmers by giving them an opportunity which allows them to give their children a decent livelihood. This government wants to help these farmers in every way. I continue to urge all members opposite to recognize this firm view of the government and not to add to the troubles of farmers who are in difficult enough circumstances by indicating to them some broad and malicious intent abroad directed against them.

A great deal has been said by certain farm leaders and people in politics which is most regrettable. It is along the lines which only causes fear to farmers who want to make a success of farming. It is our intention to help them in every way possible by putting the system into the best possible state.

Much has been said about the nature of the stabilization plan before us. These expressions seem to slur the scheme as stabilizing income at low levels. As I pointed out in my opening remarks, this scheme assures that income will not fall below certain levels. It in no way puts any hindrance or dampening upon the prospects which we see ahead with regard to rapeseed, to which the hon. member referred, and the other basic crops on the Prairies and the prospect of ever-increasing sales and an ever-growing share of international markets for Canadian grain.

We see a rising income prospect through aggressive competition in the world markets today with regard to wheat and coarse grains. With regard to coarse grains,

#### *Prairie Grain Stabilization Act*

the name of the grain may be barley today and another day it may be something quite different as experimentation and development make for better grains, better feed per acre and a better total income for the prairie farmer.

This plan assures us against drastic downturns in income which have so terribly afflicted the prairie farmers each time market conditions, climate conditions and our probable buyers and competitors cause a serious downturn in world trade. The farmer is cushioned against that by an assurance of being brought up by a payment out of the stabilization fund to the average of the previous five years. I will certainly be glad to talk to the farmers about whether that five-year period is the right one or not. This is not an outrageously low point from which to start, though some have suggested it is.

● (3:40 p.m.)

When we begin the first year, the five-year average will be based on what will be our best and our second best grain receipt years on record and on what probably are, in the case of the other three, our seventh, tenth and eleventh best years. So we are not near the bottom point. We expect that rapeseed sales, as well as sales of barley, will increase. The plan does provide in principle that over a period of time a farmer's receipts from grain will be 104 per cent of what they would have been but for the plan.

A good deal has been said about the fact that 2 per cent of a farmer's gross income is a very significant amount, much higher than 2 per cent of his net income would be. But I would point out that the government has a commitment to double that amount by paying into the scheme 4 per cent of the gross. If 2 per cent of gross income is a significant proportion of a farmer's income, surely 4 per cent as the amount added to farm income represents a contribution of even greater significance. We should bear this in mind as we consider the legislation in detail.

I should also emphasize that the government's approach to prairie grain involves a specific and definite commitment to prairie farmers. Reference has been made to the Temporary Wheat Reserves Act, to the fact that under it significant sums were paid to prairie producers. But it was leading to an improper use of the handling system and this was costing the farmers money. Twice as much barley was delivered and went through the system at the same cost as half as much in previous years.

The same was true of wheat. The act was producing an amount of wheat in storage at a cost to farmers which was excessive. With the new need for the system to handle barley and rapeseed there was no way in which we could keep the former amount of wheat on hand and continuation of the act would have meant little to the farmer anyway. We have replaced it with a scheme which will put into the hands of farmers 4 per cent of their gross income, representing a sum in the order of \$40 million in the immediate future and a rising figure thereafter.

I should like to refer to other things the government has done in increasing its commitment to western