

payment, and a program to assure the beef industry that there will not be a repeat of the 1975-76 situation, are badly needed. If the minister brings such legislation forward I can assure him that we on this side of the House will support it, provided it is drafted to give some sensible quotas to offshore imports.

It is very important at the present time that such legislation be brought forward because of the serious drought condition in western Canada. It is bad in my part of the country and I am sure it is even worse in southern Saskatchewan and southern Alberta. There is virtually no grass. At this time of year producers decide how many heifers to keep as replacements, and what the size of their cow herd will be a couple of years ahead in order to supply the consumer with beef even further ahead. The borrowing limit can be set as high as we want and things made attractive for borrowing, but if there is no assurance that the producer can pay it back, and that the markets will be available all is for naught. Legislation should be brought forward quickly so that it can be debated and passed and beef producers assured of a market if they decide to increase their cow herd by breeding more heifers. This is a particularly critical point at this time of year, in view of the grass conditions in western Canada. Roughly three-quarters of the cow herd in Canada is located in the three prairie provinces, so it is an important issue at this time.

Another matter that I should like to touch upon briefly is the question of grain transportation. Western Canadian producers have been missing markets because they have not been able to get their grain to deep sea ports for export. Had they been able to do so, not only would they have been able to contribute to their community but to the whole country.

I have seen conservative estimates of lost sales of something in the order of half a billion dollars for the last two crop years. The possibility of potential sales lost must also be considered because there is no incentive for producers to grow grain if their graineries are full. Had the grain been moved, of course there would have been additional production which would have accounted for another half a billion dollars in sales.

● (1530)

When one considers we should have sold an additional \$1 billion worth of grain that not only would have benefited the areas in western Canada but would have been of tremendous benefit to the whole country in terms of helping our balance of payments, helping the value of our money and helping our interest rates, therefore making it less necessary for people to borrow the money. With that kind of income added to our balance of payments, one could make a very good case that our interest rates would not have needed to go as high as they have in the past few months. Therefore grain transportation plays a very important and vital part in keeping producers in business and in seeing that they earn enough money to repay the loans that they make under the Farm Improvement Loans Act.

There is one other comment I would like to make concerning the farmers' ability to produce. On the average we are served very well by our farming community in this country. We are among the top two or three countries of the world in terms of

Farm Improvement Loans Act

food. For instance, on the average we spend somewhat less than 20 per cent of our disposable income on food. This is an average, and it is not intended to imply that there are not people in Canada who are having trouble feeding themselves on the income they receive. But this only tells part of the story, because not only do we spend a small percentage of our income on food, but when we spend it we are able to purchase an exceptional variety of foods, we are able to purchase foods out of season, we get exceptional packaging of goods, and we eat a lot of food away from home in restaurants. This is all included in the less than 20 per cent of our disposable income spent on food.

One of the ways one can define a developed country is to talk about the percentage of gross national product that a country spends on food. If we have to spend 50 or 60 per cent of our working hours feeding ourselves we would not have time for coloured televisions, vacations, and all the things we take for granted here in Canada. We would all have to be hoeing our gardens after supper so as to feed ourselves. I do take a lot of pride in being a farmer when I think that I have had a chance to contribute to the standard of living that we enjoy in this country. If it were not for the fact that we are as efficient as we are as farmers, we would not be in that happy situation in Canada.

I support the bill in principle. I welcome the proposal that the borrowing limit be raised from \$75,000 to \$100,000. I was pleased to hear the minister say that at committee he would entertain any amendments that would be of benefit to the farming community. That is a very welcome and open attitude, and it is the kind of attitude we have in the agricultural community. There is less partisanship and certainly as much good will in the agricultural community in terms of the political part of it as there is in any other segment of our economy. I think the minister's statement to that effect is welcome, and I certainly intend to hold him to it if there are some amendments that come forward at committee that are likely to be of benefit to the farmers.

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, I will try to reinforce and reiterate some of the fine remarks that have been made by the members of my party, namely, the hon. member for Okanagan-Similkameen (Mr. King), the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton), and the hon. member for Portage-Marquette (Mr. Mayer). We support this legislation. It is an ongoing piece of business but continues to appear every three years. The tone of the remarks made by all sides of this House indicate to you, Mr. Speaker, and to the Minister of Agriculture (Mr. Whelan), how important the people of rural Canada feel about the Farm Improvement Loans Act.

This is legislation that has been here since 1945. It has served the farmers of Canada, and the farmers of my region of Canada very well over that period of time. But I would like to ask the Minister of Agriculture, in the spirit of co-operation that always develops between himself and members of my party, that because of the guarantee that is placed, because of the involvement of the Government of Canada in guaranteeing