

is marketed. This is where the marketing aspect comes into it. The second is the price received for the grain. These two components make up the total package involved in the definition of gross cash receipts. One is a price factor which is related to income; the other is more directly related to marketing considerations. The minister and the government have failed to adequately separate the marketing factor from the income factor which must be paramount in any plan presented to Parliament.

● (2:20 p.m.)

The second factor that should be noted is the recommendation of the task force that such a plan should be voluntary. The task force on agriculture also recommended that there be a wheat diversion program and that incentives be provided for it. Of course, the minister might say the government base Operation Lift on that recommendation last year. The minister shakes his head in the negative. The task force did recommend a diversion plan but in each case they made it clear that such a plan would be voluntary. When we take into account the limited commitment the government has made in terms of the stabilization bill before us, it is difficult to justify the compulsory feature. I would be prepared to acknowledge that valid argument can be advanced on both sides as to whether or not a stabilization plan should be voluntary or more comprehensive and, therefore, compulsory. The implication of deciding on a comprehensive plan is that there must be a greater commitment by the government in terms of its contribution to the plan. We have before us a plan under which the government's commitment is limited. The prospects are, in fact, that in the long run there will be a further reduction of its commitment to contribute. Under this plan it appears farmers will be asked to contribute about \$15 million. The government, on the other hand, will contribute about \$30 million.

The prairie farm assistance legislation is being discontinued, a program to which intermittent government contributions were made in various years. The government contribution to the grain industry will diminish after the transitional payment has been made. This will give hon. gentlemen opposite time to get through the next federal election. In my view, the transitional payment ought to be in the order of \$250 million. This party has called for transitional and emergency payments at that level. Every major farm organization has called for emergency assistance to prairie farmers of that order. What do we find? A limitation on the extent of assistance the government will give to western farmers.

It must be recognized that not all of the money being provided through the transitional payments is new money. It is proposed to drop the Temporary Wheat Reserves Act, and PFAA will be phased out. I should also like to call attention to the situation with regard to Operation Lift, which not long ago the government said would be the salvation of western Canada. First, it was stated with a good deal of publicity that this could mean \$140 million to the farmers of western Canada. In fact, only \$100 million was voted for the plan, and according to an answer tabled in the House a few days ago, not

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more than \$53.7 millions have been paid out to farmers up to the present time, though there is a small amount yet to be paid out under the forage aspect of the program. The minister expressed himself as being very satisfied with this result. I asked him the other day in the House why he could not add the unspent portion of this money to the amount he is proposing to spend by way of transitional payments. It seems to me this is a reasonable proposition. It would not bring the fund up to the level we would like to see, but in my opinion it is the very least the government should consider doing by way of bringing assistance to western agriculture. Publicity having been given by government spokesmen to both the \$100 million and the \$140 million, this is another example of hon. gentlemen opposite misleading the people of Canada in connection with the extent of assistance being provided to prairie agriculture. Most of us cannot fail to recognize that the measures the government has brought forward are totally inadequate. There is a need for \$250 million, and even this sum will not match the drop in farm income on the Prairies during the past year.

The minister has insisted on including the transitional emergency payments in the same package as the permanent plan to which we ought to give great attention. This is bound to result in a good deal of resentment in western Canada; the people there will not like the idea of this bill being rammed down the throat of Parliament and of western farmers. The government should be prepared, on its own initiative, to accept the proposition which has been put forward by a number of hon. members, that is, to divide the bill and deal with each part in turn. We recognize that certain features may be part of a general policy package. The minister has talked about a policy package from time to time that is broader in scope, yet he has been able to deal with different aspects in different bills. There is no reason why the proposals before us could not be dealt with by way of two bills.

Turning to the stabilization plan as set out in this measure, may I say we approve the principle of stabilization but we do not approve the plan which the government has produced. In my view, it contains four basic defects: First, it has the effect of stabilizing poverty. A plan designed to stabilize cash receipts at current levels assumes that the income level of the past five years is an adequate base. This is obviously not good enough; second, it does not take into account increasing costs of production. A plan to stabilize cash receipts is of little value in the face of sharply rising costs; three, there will be many inequities resulting from the application of an industry-wide formula for stabilization to individual farm situations. This could have the effect of discrediting the plan before it has really begun. A wide variety of crop conditions across the Prairies that varies from year to year will make a shambles out of the plan; four, the plan is designed to limit the government's contribution to the grains industry. It would appear that the government contribution to the stabilization fund will approximate \$30 million a year. Offsetting this contribution will be the elimination of the Temporary Wheat Reserves Act which has meant an average of \$41 million a year to prairie agriculture since its introduction, and