

Proceedings on Adjournment Motion

GRAIN—WHEAT, OATS AND BARLEY—ACTION TO INCREASE PRICES TO FARMERS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my comments are related to a question I asked of the minister responsible for the Wheat Board (Mr. Lang) a few days ago and the fact that the final realized price to the Canadian farmer for wheat, oats and barley has been the lowest in the past ten years. I have before me the annual report of the Canadian Wheat Board for 1970-71. On page 18 appears a schedule of Canadian Wheat Board payments for No. 1 Northern wheat. It shows that in 1970-71 the price was \$1.67 per bushel, the lowest in the past 12 years. The next lowest was in 1955-56. At that time the price was \$1.58 a bushel.

• (2220)

With the government which came into power at that time, the price slowly climbed to a maximum of \$1.97 at the time the government was turned out. Since then there has been a little fluctuation at about that level, and then a general decline to the present level. For oats, the final realized price per bushel was 60 cents. That is definitely the lowest price since the 1959-60 crop year and probably the lowest for the previous ten-year period although I do not have the figures to justify such a statement. For barley in the crop year 1970-71, the final realized price was \$1.01 per bushel. The only time it was lower in the past ten years was in the crop year 1969-70.

I wish to bring these figures to the attention of the House and the minister because the minister has been running around the country spraining his wrist through patting himself on the back for doing such a tremendous job for the western farmers in selling wheat.

Mr. Pepin: And the farmers have been patting him on the back.

Mr. Yewchuk: They have not, because they have been starving.

Mr. Pepin: They recognize value.

Mr. Yewchuk: I recognize value when I see it, and I have not seen value in the grain market in the past couple of years. Another matter I want to mention is the volume sold in the past ten years. The Minister of Industry, Trade and Commerce (Mr. Pepin) seems to imply that the volume of sales has been tremendous. I want to point out that the highest volume of wheat exported from Canada was in 1963 at the termination of the Conservative rule. At that time it was 594.5 million bushels. The highest it has been since that time was in 1966. It has been fluctuating, with a steady decline until the 1970-71 crop year when the volume was 435 million bushels, which is still nowhere near the maximum figure established in 1963 after the efforts of the government of the party to which I belong.

I wish to bring these points to the attention of the House because the farmer in the west, as well as in the east and in the central part of the country, is faced with ever increasing costs of production and an ever decreasing gross return as well as net return on his production.

This annual report also shows that the farmer has tried to compensate by increasing the number of acres on the

[Mr. Buchanan.]

farm and also by increasing very significantly the productivity of those acres. In other words, the farmer has made his operation more efficient. However, the net result is still an ever declining net income when his costs are paid at the end of the year. The only significant response from the government to this problem has been to encourage the removal of the farmer from the farm. What better way is there to try to do something about the continual problem than to destroy the farm completely and remove the man from the land so that you do not have to worry about his problems? This is what has been happening.

I could cite an area in my constituency covering a radius of 100 or 150 miles in which only six years ago there were 800 farms, while there are now only 400 farms in the area. What is happening? It is impossible to continue farming under the policies of this government. The farmers are being forced to leave the land and go to other places in order to try to find jobs, new housing and in some cases to re-educate themselves. This creates a host of new problems for a family, problems which sometimes are difficult to overcome.

I think we can be quite critical of this government, with some justification, because they have failed in two spheres. They have failed to do anything about the cost of production; in other words, they have failed to do anything to bring down the cost of machinery and the cost of its operation. Even though the Barber commission made some fairly good recommendations, none of them were implemented and the cost of the overhead to the farmer continues to climb.

The other aspect that was not considered was an increase in the price a farmer receives for his products. If we look at the cost per bushel which farmers receive in the United States, France, the European Common Market and other countries, we see that it hovers pretty close to \$3 a bushel. I know that the parliamentary secretary will say that the two-price system is in effect. That is fine, but it applies only to about one-quarter of the production of Canadian wheat and it does not have the effect, in the long-term, for which we are looking.

I hope the parliamentary secretary does not dwell too long on the two-price system, and I hope to hear him say what will be done to increase the net income to the farmer.

Mr. Albert Béchard (Parliamentary Secretary to Minister of Justice): Mr. Speaker, in the addenda to the annual report of the Canadian Wheat Board for the 1970-71 crop year there are a number of statistical tables, three of which set out the payments to producers for wheat, oats and barley, showing such payments in the case of wheat for the past 22 crop years. The average final payment for wheat in the 1970-71 crop year is by no means the lowest final payment in the last ten to 20 years.

The 1970-71 oats pool account has not yet been closed, so that it is not possible to make a comparison in this case. While the 1970-71 barley pool account had a deficit, it should be noted that there was an adjustment payment of 10 cents per bushel made by the federal government additional to the initial payment announced by the government for that crop year. The government has announced