

Prairie Grain Stabilization Act

working against the interests of prairie farmers by delaying passage of important new grains legislation. But, Mr. Speaker, we have seen how the minister at times chides the opposition. It depends upon his mood. If the minister is a bit more put out than usual, he lets off a blast at us. If he is not really very much put out he rises in his place and chides us in schoolmasterly fashion for not being as willing and able as he to get on with the business, and for not being good boys. I can tell him he does neither himself nor the government much service adopting that approach.

The government can be charged with tying the proposed payments this year to this bill in order to force its passage through the House, and denying a full opportunity to those of us who are interested in farming to examine thoroughly what the bill will do. We must first examine the situation the bill is intended to deal with, and that situation is the present condition of grain farming.

Grain farming is seriously depressed, and one has only to look at the figures to verify the fact. Returns from grain production in Saskatchewan have declined steadily from 1967 to 1970, the last year for which we have official figures. Over all it declined in round figures from \$976 million to \$690 million in 1970. Those are the kinds of averages with which the proposed stabilization fund will be dealing. To put it another way, I quote a speech made by the minister last October:

Prairie farm cash receipts from the six major grains (wheat, oats, barley, rapeseed, flaxseed and rye) were \$878 million in the 1969-70 crop year, down \$270 million from the average of \$1,148 million for the preceding five years.

This is the point of departure, Mr. Speaker. It is from here that we proceed. The minister is bringing forth a proposal which he says will meet that shortfall, or will enable farmers to meet that shortfall. If it is not a policy to meet that shortfall, then I do not understand how the government can introduce this bill as a measure to meet the needs of prairie farmers. This should be the first consideration of the government, but I doubt that it is. The government is looking at ways to keep a system going rather than to keep farmers going. This program makes the assumption that, at the level which the government is talking about, farmers will survive. I question whether that assumption can be made in light of the figures and information given by the minister himself in his statement to the House.

● (2:40 p.m.)

When you look at the deductions and the contributions they are proposing—\$1 billion at 6 per cent produces roughly \$60 million a year and this is supposed to run the stabilization program—you wonder if it is even actuarially sound. Although the minister has been asked, he has not chosen to release any of the figures or working papers from his department to show how they arrive at the assumption. Perhaps when we go into it in committee the minister will be able to come forward with figures to show how it will work.

Clause 15 of the bill provides that this fund will also be charged with any deficits in the pools operated by the

[Mr. Gleave.]

Canadian Wheat Board. If the government carries through its intention to put rye, flax and rapeseed under the Wheat Board, then it will cover the total grain industry. The assumption that this sort of program will ensure that the industry will survive is not well founded for the reasons I have stated. The bill takes no account of the cost of production. We are expected to believe that in an economy where banks, industry, labour and the professions seek increases at least commensurate with the increase in cost of living, the agricultural industry in western Canada will survive by stabilizing its income on the level of the previous five years, even if that trend continues downward.

The whole trend of the pricing assumptions in this bill, and the approach by the government follow the direction and the policy of the agriculture task force recommendations. That policy was to sell grain on world markets for whatever it would bring and, if possible, to clean up whatever crop came forward each year. This is the thrust of this bill. It also makes the assumption that we can carry on without a storage policy because it makes no provision for assistance in storage. It does not say how the farmers are going to carry the storage charges without any financial aid. The minister's document of last October states clearly that it is the plan to encourage adjustment of farm units to a more efficient size. This is definitely a part of the policy. We do not know how many farmers will be able to remain in business and this information is not given.

A press release today quoted the Minister of Agriculture (Mr. Olson) as saying in committee yesterday that the Farm Credit Corporation would be used as an instrument to adjust farm size and to provide the credit for adjustment of the agricultural industry. We tried to get information about the amount of money involved in this program but we still have not got it.

The bill ignores the importance of farmers as consumers as well as producers. There is no consideration of the necessity to maintain the earning power of farmers as consumers or to maintain their communities. It accepts the fact of the irregularity of demand for grain in the overseas market and the minister has accepted this in his statement. The bill rejects the need for storage and an inventory program so that we can have the capacity to hold grain in position to meet the irregularity of the market demand.

If he wishes, the minister may say that the storage program for wheat under the Temporary Wheat Reserves Act caused some distortion but is the answer to throw it out, lock, stock and barrel and not put anything in its place? The storage system of this country has always acted as a sort of bank for the export market. Now, the minister chooses to say that it is either no longer necessary to have this function performed or that the farmer is not going to be assisted to carry it, or that he can carry it himself. The government leaves grain storage and the transportation system, and all that is involved in them, home-free and says to the farmer that he can carry whatever costs are involved.

The government accepts the fact of irregularity of weather and drought in this country or if they do not,