

*Grain—Deficiency Payments*

on the prairies. Recent rains have improved that outlook, and those of us who have been raised on the prairies know that even at this late date a substantial supply of rain within the next few weeks can work wonders. Even so, a large part of the crop is beyond redemption and in certain areas farmers are going to have what will amount to a near total crop failure. Because of that, coupled with other reasons, they need assistance at this time.

Certain additional emergency steps that could be taken and should be taken are the provision by the federal government of emergency assistance in the provision of freight assistance for the shipment of feed and fodder into distress areas. Then there is the need to expand the payments under the Prairie Farm Assistance Act, to increase them in keeping with the tremendous increase in the cost of production since those payments were made effective back in 1939.

In my discussions with producers I have found that related to the cost of farming at this time they feel that such payments at a time of crop failure should be at the rate of \$10 an acre. They would have no objection, in fact, they would be quite favourable to a substantial increase in their contribution to the prairie farm assistance fund. They do feel that the present maximum of \$4 an acre is inadequate; that the other payments of \$2 and \$3 per acre for various yields of crop are too low; that all of these payments should be increased. As I say, they are prepared to make a larger payment into the fund.

**Mr. Horner (Acadia):** Will the hon. member permit a question? Would the hon. member be in favour of raising the levy?

**Mr. Argue:** Definitely, yes, provided of course that the benefits under the act were increased.

**Mr. Horner (Acadia):** To what rate?

**Mr. Argue:** I am quite prepared to answer the question. I would not mind the rate being tripled. I would support a tripling of the rate—

**Mr. Horner (Acadia):** Would the farmers agree?

**Mr. Argue:** Wait until I finish my sentence. I would support a tripling of the rate if the maximum payment were increased to \$10 per acre in time of total crop failure, and the other payments increased proportionately, and I would be prepared to defend that proposition on any public platform in western Canada and I think agricultural producers would support it. There has been little or no complaint; there has been some complaint in Manitoba

[Mr. Argue.]

and some in the northeastern parts of Saskatchewan and perhaps some in the northeastern part of Alberta about the general prairie farm assistance scheme, but generally speaking the scheme has met with the approval of western producers. If they could receive a maximum payment of \$10 an acre instead of \$4 an acre and if in addition the maximum acreage on which it was paid was to be increased in keeping with the general increase in size of farms since 1939, this whole proposition would be even more acceptable. It would seem to me that if an acreage of 400 was accepted as something that was fair and reasonable in 1939, as a maximum, that an acreage today of 600 would be approximately in the same proportion.

Those are the main suggestions I am making as far as the Prairie Farm Assistance Act is concerned, together with the oft repeated request so eloquently made by the Prime Minister when he was member for Prince Albert and when he was member for Lake Centre that prairie farm assistance should be paid to farmers on an individual basis. I think he was right in those past years when he made that statement. I hope that if that is not accepted during the present session of the house, a very definite step will be taken in that direction.

I would also say to the government that if the crop should be so disastrous that large numbers of producers across the prairies should have to seek social aid or relief, as the word was known in the 1930's, there should be a sharing of any of those emergency costs between whatever provincial government is involved and the federal treasury, just as the federal government has come to the assistance of provinces and of workers when there has been widespread unemployment. But I do not base my request for deficiency payments in the main on this emergency situation because even if the crop prospects on the prairies today were excellent the same price-cost squeeze would remain, and this above all is the economic problem that the people on the prairies wish solved at this time.

They have believed that the Prime Minister would give them a sympathetic hearing. As a matter of fact, as late as July 10 the Prime Minister said, in answer to a question on this subject, that the whole problem of deficiency payments was receiving full consideration. As to whether an announcement would be made in this session and as to whether appropriate legislation would be introduced, he replied that that, too, is a matter that would receive full consideration. In the light of that statement, in the light of previous statements by the Prime Minister, and in the light of similar statements by the Minister of Trade and Commerce,