

*Prairie Grain Advance Payments Act*

**Mr. Scowen:** I was talking about trying to get a lesser amount of production. There really are two parts to that set-aside program. One would be that part of the debt would be set aside until things return to normal. On the other hand, we should set aside some crop production in order to bring our surplus down and more in line with what we can sell. Our soil conservation has suffered because of continuous summer fallow crop in western Canada. It is time we added a little more to that soil with some forage seeds.

**Mr. Gottselig:** I would like to commend my colleague, the Hon. Member for Mackenzie (Mr. Scowen), on the excellent speech that he delivered. I would like him to expand on a few of his points. He mentioned the Melfort research station and the work that is going on there. Is there some special work there that would relate to what he mentioned on the set-aside program in terms of production? I was also interested in his comments on the diversity of the economy in the constituency of Mackenzie. That probably is a reflection of the necessity to diversify from the strict agricultural production as we have known it in Saskatchewan. Would he agree with me that the main reason the Minister has introduced these changes in the Act, is to take the power out of the hands of the bureaucrats in Ottawa and give it to the Canadian Wheat Board officials in order that they can respond in a much quicker fashion to the needs of our producers? The primary producer in this whole equation is the one whom we are trying to help.

● (1130)

As a producer and also as an agent for several landlords, I am familiar with all the points he mentioned. The provision not requiring a landlord's signature is an important one for a producer who has three or four landlords perhaps scattered across Canada and even in the United States. With the mail system being what it is today, we know that it takes a long time to get letters back and forth. I think it is a very important part of the whole equation.

**Mr. Scowen:** Mr. Speaker, I believe I mentioned that it would help producers in that particular case. I would like to refer to the diversity in agriculture in my particular area. Homesteaders came to the area from the Prairies. Most of them migrated there during the 1930s, but some settlement took place in the very early 1900s. That part of the country was mostly opened up as settlers were squeezed out of the Prairies and took up homesteading there. They found that they were able to plant alfalfa in small areas which they were able to break up. We must not forget that they had to break up little chunks here and there to prove up their homesteads. As a result they were able to obtain a very high seed yield.

Not knowing the circumstances, not knowing what was going on there, they thought that if they cleared bigger fields they would get more. That proved to be their downfall. There was a little insect called the leaf cutter bee and that fellow was tripping the seed very nicely for them. They killed him when they cut down the bush and cleared it away, so the alfalfa production dropped off substantially. Then they went into

alsike clover, red clover, various other grass seeds, and so on. This is what brought about seed production in Canada. Other countries discovered that we were able to produce these seeds and asked us to produce for them.

The northern and southern parts of my constituency have always got along well. The southern part of the constituency is what we call the farming area. People from that area have found jobs and have worked in the northern part of my constituency about which I have spoken.

**Mr. Geoff Wilson (Swift Current—Maple Creek):** Mr. Speaker, as a Member from the grain growing area of the southern Prairies, I am pleased to join in the debate on Bill C-12, an Act to amend the Prairie Grains Advance Payments Act.

By way of background may I say that it is obvious that the Canadian grain producer is facing a farm income crisis. Some 80 per cent of the Canadian wheat crop is marketed internationally and has accounted for much of Canada's favourable balance of trade. Lately, record world wheat harvests have increased stocks and depressed prices. It is regrettable that most of the problem relates to undue subsidization of foreign grain production, much of which would be impractical without massive government assistance.

Canadian grain farmers have proven themselves to be among the most efficient in the world. They are ready, willing, and able to compete in the international market-place. Unfortunately, however, the play of the traditional market forces of supply and demand has been distorted by the disappointing trend toward subsidization world-wide.

It began back in the early 1960s when the European Common Market established its Common Agricultural Policy or CAP. This was a time when Europe was a major importer of grain and a good customer of Canada. Today, with an artificially high production supported by CAP and by domestic and import subsidies, the EEC has become one of the largest producers. In fact it is the third largest wheat exporter in the world today.

Over the past number of years the European Economic Community has been offering its excess production into the world market at prices which in fact are less than the cost of production. During this period the United States lost a portion of its traditional share of the world grain export market. It appears that U.S. attempts to convince the EEC to change its policy fell upon deaf ears. In order to reduce its massive carry-over inventory of grain and to regain its traditional percentage of the world grain market, last year the United States passed its Farm Bill which announced increased subsidies to U.S. farmers, with particular emphasis upon export enhancement programs. The level of subsidization is such now that the EEC and the U.S. spend \$3.75 on farm support for every dollar spent by the Canadian Government on support for its farmers. In other words, the superpowers are paying something in the order of four times as much per bushel in farm support as we are able to pay.