

higher in the maritimes. Even when wheat is included, close to 30 per cent of cereal crops are fed on farms.

That is one of the reasons this government—a government I am a member of—is conducting a review of grain safety nets as part of the over-all agricultural policy review.

• (1740)

The process of reviewing grain safety-nets began with a series of regional meetings between the farm leaders and government in 1988. Meetings were led by the hon. Minister of State for Grains and Oilseeds. Farm-fed grain was an important issue at every one of those meetings.

A grains safety-net committee was established soon after the agricultural policy conference in December, and the committee has met three times in Winnipeg since then to discuss options for a national stabilization program. Recommendations are to be made to government this spring, followed by further discussions with industry. The committee is made up of farm leaders and government representatives from all regions and provinces in Canada. Farm-fed grain is an issue which has been raised at each and every one of these meetings.

Options being considered by the committee include a program in which federal and provincial governments, as well as producers, would share program costs. Other options include a program of individual price guarantee contracts; a full cost of production guarantee; an individual farm gross revenue guarantee; and an individual net revenue stabilization plan.

These and other options are being carefully examined and fine-tuned by the grain safety-net committee and the National Grains Bureau. Committee recommendations are to be included in a report for release this spring.

The government's goal is to develop fair, realistic and acceptable solutions to the problems and issues facing the agricultural sector. A vital part of the review process is discussion at the farm organization level. Farm leaders from all major producer organizations have been involved with a view to developing a grain stabilization

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plan which could be adapted to suit all agricultural sectors.

It was my pleasure just two weeks ago to mail to many of my constituent farmers the request for them to participate in this whole discussion process. It was not only to participate but to give them some basis of how they might submit their personal concerns and issues to the department. I know the government is consulting very closely and working with farmers to try to solve their agricultural problems.

In conclusion, simply tinkering with the Western Grain Stabilization Act and the ASA will not be enough. Instead, let us continue to look at stabilization of farm-fed grain in the context of all agricultural stabilization programs and work to developing a new, comprehensive approach which will better suit all sectors of the industry.

It has been my pleasure to present this view in this debate today and I hope that members will keep that in mind as we go forward to deal with this particular resolution.

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Madam Speaker, I am pleased today to speak to the motion that the government should consider the advisability of introducing measures to amend the Western Grain Stabilization Act, most especially to include coverage for producers who feed their own grain to their own livestock.

When we consider the inclusion of farm-fed grain in the Western Grain Stabilization Act and the Agricultural Stabilization Act, we have to bear in mind that such a move is not as simple as it may sound. To add farm-fed grain to the WGSA and ASA framework certainly would require fundamental changes to these programs.

However, cost is really only one of the number of factors we must consider as a government. A basic change would have to occur in the structure of the WGSA and ASA themselves if we were to do this. That is, the programs would have to be changed from marketing-based to production-based programs. It is a major change that would in itself present another set of issues.

The programs, as they were designed, are based on commercial grain sales. If we were to add farm-fed grain,