

Western Grain Stabilization Act

The Minister of Agriculture and the Minister of Grains and Oilseeds will have the distinction of having provided Canadian farmers with the lowest prices in cash dollars since the Government of R. B. Bennett of 1930 to 1935, and because of the drought that we face this year, we will probably be faced with one of the lowest levels of production in modern times. We see the difficulties of the Tory Governments of the 1930s being revisited on the country in the last half of the 1980s.

Those are a few introductory remarks. I believe these amendments will generally be beneficial. We want to see this legislation dealt with in more detail in committee where we will be able to identify whether the program will be actuarially sound; why the Government is increasing its contributions by only 100 per cent whereas farmers are being asked to increase theirs by 400 per cent; and as a result of the mechanisms in place whether the returns will be adequate to cover the losses of farmers this year.

The response will also be important from the group that have been non-participants as to the mechanisms the Government is providing in this legislation to ensure some equity and fairness to them because of the Government's bail-out of the fund when they see it as being more fair if the \$750 million had been paid directly to the special grains program.

Those are a few preliminary comments and observations, Mr. Speaker. I wish there was more time, but there are several pieces of legislation before the House today, and I believe that this one can be dealt with in greater detail in the Standing Committee on Agriculture.

● (1350)

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, it is somewhat against my better judgment that I am here, because I made a decision some time ago that I would not go along with the rushing through of agriculture legislation through the House. I find myself here again, at the end of the parliamentary year, renegeing on a promise to myself. In the past, several items of legislation have been passed—agriculture legislation—in exactly this way.

I think it is partially the priority of the House, but in many cases it may be that we just do not have enough support for the agricultural industry in the country. When we amended this particular Act some time ago, it was done in exactly the same way as it was being done here. In fact, it never did go to committee. That might partially be the reason for some of the little concerns that we have had. If we had taken it to committee then, we may not have had exactly the problems that we have now. There is no doubt that as we changed the triggering mechanism two or three years ago, we probably should have taken a good look at the levy structure. We may not have found ourselves in the huge deficit that we are in now.

There is general acceptance among all Parties here and across the industry, that there is a need for some amendments to this Act. The Government has the major need here, and it needs authority. To make a \$750 million contribution to the

fund is what the Government is doing in this particular case. It is an extra contribution to the fund. Without that being done, the whole structure of the stabilization program would collapse, because the levies would not even pay the interest on the deficit in the future. So we do need these changes.

This is also the kind of legislation, the kind of safety net, that is needed. Some day I hope that the three Parties here in the House can get together on a global safety net which would allow the industry to feel some security rather than be dependent upon ad hoc pay-outs by the particular Government in power.

I think that the farming sector of the agricultural industry feels a certain amount of resentment at being dependent upon the Government in power. It would much rather have in place a program which they could be sure will guarantee them some kind of security of income on the way. I think it is to the credit of the Government that it did put in some changes in the last few years which allowed the triggering under other terms than just a straight aggregate.

There is a concern regarding this particular Bill in that there are a number of groups who feel that since the aim of this Bill was to get as many people into the stabilization program as possible, putting into the Bill an opportunity for the people who are presently in the program to get out of it is a concern. As one farmer put it, "What we are doing is, we are giving those who helped to get the benefits of the deficit being created permission to leave the stabilization program". That is a concern. I do not have a solution for it. I do not think that we want to suggest that they should not be able to get out. We are making changes in the program so that they have a right to analyse whether or not they are in the program.

It is a concern and I think it is one of the things which the committee, when it gets together, will have to look at. In other words, what we are doing is inviting some people in through the front door, but we are suggesting to another group that they might leave through the back door. That may cause us some problems and it is something that we need to look at in committee. It is one of the reasons that most people involved with this Act have insisted that the Bill go to committee rather than being dealt with in the House. We do need some assistance and some consultation with those sectors of the industry that have a very good insight into that matter.

There are a couple of other concerns in this particular Act as well. The Bill allows a 1,000-tonne minimum for a designated purchaser. That whole area of farm-fed feeds needs to be looked at, and I think we might get some very profitable advice from the industry if we give them the opportunity to give it.

There is a concern that has been expressed about whether to extend this privilege of stabilization to non-Canadians. I know that that has to be dealt with within the Charter and it is something that we need to look at a little more closely, although I have no great concern about it, myself.