

ize, too, that there was no formal agreement signed between Canada and the other countries concerned. But look at the record, and see what happened. Canada reduced her acreage under wheat, because of huge, unmanageable surpluses, by about 50 per cent, from 24.8 million acres in 1969 to just over 12 million acres in 1970.

In Australia they have a different system. What they do, under their wheat board, is to announce in advance how much grain they will take from all producers. Presumably there is no market available at all for grain produced beyond that amount unless world markets suddenly open up. In other words, there is no guarantee. What they did was announce in advance that they would be taking 257 million bushels of wheat, a 40 per cent reduction compared with the year before. Bear in mind that the year before they had registered production in excess of 500 million bushels. Between 1968 and 1969, and again between 1969 and 1970, the allocation for wheat acreage in the United States was reduced by about 15 per cent in each period. There were reductions in the acreage shown in other parts of the world as well.

The action which we in Canada took is not solely responsible for the present improvement in the situation, nor is the action taken individually by any other country. But as a result of these meetings, as a result of the situation in which all these countries found themselves, which was basically similar, I suggest that the action taken together by all these countries did lead to the greatly improved situation which is evident in the market today. I believe my colleague, the hon. member for Saskatoon-Humboldt (Mr. Lang) can take a great deal of credit for his participation in these meetings.

I wish to touch briefly, now, on two or three other matters. Under the Farm Credit Corporation program we have made a number of commitments during the last 12 to 18 months. For example, we have provided credit for diversification, credit which was not provided for under the regulations prior to that time. We have provided credit for debt consolidation which was essential in the circumstances encountered in some areas during the difficult years. We have provided for deferment of payment by farmers who could show it would work hardship, or be impossible, for them to obtain the financial resources from their sales to meet payments on time. There is much, much more. And I can say this: we shall be bringing in further amendments to the farm credit corporation program to make sure that this very important organization which has done so much for agriculture generally will be able to keep abreast of changing conditions and meet the requirements of modern agriculture.

● (4:50 p.m.)

The government advised the House many months ago that it was prepared to bring in an agricultural adjustment program to deal with the problem facing those farms that are so small that the operators find it impossible to compete, to pay their expenses and enjoy a decent standard of living as a result of their labours. I am pleased to advise the House that I now have authority from the cabinet to initiate a program that the government would be prepared to introduce. Hon. members are

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aware that \$10 million was provided in the current main estimates for this program. The Prime Minister has written to the first ministers of all the provinces in the past few days outlining in general terms what the government is prepared to do. I have written a letter to each minister of agriculture outlining more or less the same proposal, and also suggesting a number of dates for getting together to finalize this policy and put the program into operation.

Discussions with the provinces must be held in order to ensure there is no duplication of, or contradiction between, the programs the provinces have to deal with this particular problem and the federal government's program. Our program is going to be a national program. In almost every agricultural area of Canada, communities are facing the same kind of problem I have outlined, though some of the provinces are in a substantially better financial position to remedy the situation. Not only this, Mr. Speaker, but there are individuals within those communities faced with economic problems who are now reaching the age when they should retire from agriculture. In my view, it is essential that this program be a national one that can be applied and administered uniformly across the country, embracing all sectors of agriculture—the dairy, grains, livestock, fruit and vegetable production, and so on.

Consolidation into economic units is not by itself going to be sufficient; some way must be found through this program to enable farmers to utilize the assets they have. If farmers decide to retire from agriculture because they are at or near retirement age, the program will allow them to do so with a high degree of dignity and security, something that has not been available to them, in my view, in the past. I hope it will not be long before I can announce the details of the program to the House, having had discussions with the provinces.

In conclusion, I wish to assert again that during the past year and a half or so there has probably been more leadership, more consultation, more policy changes and more new departures from established programs requiring more courage to come to grips with the fundamental and basic sectors of agriculture than ever before, quite contrary to what the motion alleges. I suggest the action taken by the government is going to lead to an improvement of the economic wellbeing of farmers generally in whatever sector of agriculture they are engaged.

One additional thing we need to do—

Mr. Deputy Speaker: Order, please. I regret to interrupt the minister but I must do so to advise him that the time allocated to him has expired.

Some hon. Members: Continue.

Mr. Deputy Speaker: Does the House give the minister unanimous consent to continue?

Some hon. Members: Agreed.

Mr. Olson: Mr. Speaker, certainly I will not abuse that privilege; I had reached the concluding sentence of my remarks. May I say in conclusion—and I say this very sincerely—that what we need now is a great deal more