

*Wheat Acreage Reduction*

one year and we proposed, with the co-operation of the farmers, that we should try.

● (9:20 p.m.)

It was also clear that any farmer who had enough wheat on hand to meet all the quota he could expect this year, and also all of the quota which might be available for him in 1970-71, had his gross income established and whether he grew or did not grow more would not affect his gross income in that period. Indeed, to not produce could only conceivably lower his costs and improve his actual cash position while his inventory was being disposed of. In other words, it could temporarily improve his cash position. Accordingly, we have devised a program which has invited him to take 22 million acres out of production this year, to put that land either into summer fallow or some form of minimum maintenance and to put up to 2 million acres of it into forage or grass. We propose to pay him \$6 per acre for the additional minimum maintenance acres which the farmer had on his farm, as compared with the previous year, and we propose to pay him an extra \$4 an acre for land that was put into grass and stayed there during the following year.

This represents a very important opportunity for the farmers together to reduce their inventory and for the Prairie region, particularly the grains region which has been hardest hit by the cash problem, to obtain a very valuable infusion of cash. The ideal would be for the farmers to take 22 million acres out of wheat and put it into minimum maintenance and forage because, on the best estimates we have available, it is indicated that the acreage which was in non-wheat crops last year is about the right acreage to have in these crops again this year. There may be some switching around of crops; some farmers may move some acres from barley into rapeseed, but the total is about right.

The only way, therefore, we can obtain that result is through the removal from production of the 22 million acres of wheat which are not required to meet any markets in wheat and are not required for any other crops either. This, therefore, represents an opportunity to hon. members to join with us in explaining this program to farmers from one end of the designated region to the other. I ask them to join in a task which represents a challenge for us and for the provincial governments to try to give the very best possible advice to farmers about the form of minimum maintenance which is most desirable in each region.

[Mr. Lang.]

We recognized that that challenge must be met in the time available but we did not feel it was proper to take more time and lose a whole year in implementing a program of this sort. We were particularly afraid of the impact in other grains which would have occurred in the process.

**Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, before the minister leaves the point, may I ask him a question? On Friday last the minister said that the government estimates the program will cost it \$100 million. Now the minister is talking about taking 22 million acres out of production, which would cost the government \$152 million. I say this on the basis of all that land being put into summer fallow and 2 million acres being put into forage crop production. Is the figure of 22 million acres to be put into summer fallow or forage too high, or is the previous estimate of \$100 million too low?

**Mr. Lang:** Mr. Speaker, I think I said that the ideal would be if 22 million acres went into minimum maintenance and forage. However, in attempting to estimate how farmers would react—and by the nature of the exercise it can only be an estimate—we predicted that in the neighbourhood of 16 million acres would actually be withdrawn. There are varying conditions which might lead some farmers to leave some wheat in crop. However, it is still my view that the ideal would be to remove 22 million acres. That is why I urge all hon. members opposite to join in this effort to explain the program and how it may work for each individual farmer.

**Mr. McIntosh:** Will the minister permit a question?

**Mr. Lang:** Not now, if the hon. member does not mind, because my time is limited. Perhaps the hon. member will wait until I have finished my remarks.

**Mr. Knowles (Winnipeg North Centre):** The minister is being taken out of production.

**Mr. Lang:** This, of course, is the program, the details of which will take some time to be assessed. That is one reason why I shall take a great deal of time to meet as many farmers as possible. I hope we can count on the support of people expert in agriculture in advising farmers from one end of the designated region to the other how the program works. In order to help this process along, we intend to send out in the very near future to each