

for our producers. The deficiency payment, as well as other program changes we have made, will lessen the strain on our producers.

I would like to mention some of these changes, beginning with the removal of the capital gains tax on farm land. This was a very positive step, one well received by the agricultural community. The drought program under which payments were made to livestock and grain producers as a result of successive droughts in western Canada was also well received. Changes to the Western Grain Stabilization Act to allow for interim payments, a change we had requested for some time, were made by the Government. Fuel tax rebates, shared-risk mortgages and commodity-based mortgages are but some of the changes our Government has brought about. They have been recognized and well received by agricultural producers.

All is not gloom and doom on the agricultural scene. We have been making progress in having agricultural subsidy programs discussed at world level meetings. Such a discussion took place recently at the Tokyo Summit. Such discussions will be on the table at the next round of GATT negotiations. Important steps have been taken by our Government to allow for these subsidy problems to be discussed at world level meetings and in order for some solutions to be arrived at.

I believe that more diversification is required on the Prairies. The recent work stoppage at Thunder Bay is a prime example of the vulnerability which exists in our grain marketing and handling system. At the time of the work stoppage considerable effort was put into having grain cleaned and shipped out of the Prairies on a unit train basis. I would like to see this concept improved even further. We should have cleaning plants on the Prairies where grain is grown. The screenings could be utilized for livestock feed. Grain would be shipped in unit trains and loaded directly on to ocean-going vessels. This would eliminate the cleaning and handling charge at the terminals. It would also create a good deal of employment on the Prairies where we have a steady supply of reliable workers available. It would also encourage and foster some of the new and innovative procedures which will be required in agriculture as we move into the 1990s and beyond.

I would now like to spend some time discussing the changes to the Prairie Grain Advance Payments Act. Certainly, very valid points have been made this morning. One that I certainly support is the necessity of not having the landlord sign the cash advance for the producer. I look after several farms for non-resident and resident Canadian owners, and with the mail service being what it is today, particularly in terms of American landowners, there are great delays in having applications for advance payment returned. Most often farmers rely on the advance to pay up their day-to-day bills. Quite often they have large Farm Credit payments to make in the fall and interest-free cash advances assist producers who are going through very tough times.

Another excellent change being made is the current calculation for advances based on the number of tonnes of grain prescribed per quota acre. In the past, the high yield

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producers could not benefit fully. The proposed amendment changes the method of calculating the advance on the basis of the actual volume of grain the producer has in storage. This will be of particular benefit to those in my area who irrigate and produce very high volumes of grain.

● (1230)

The interest rate problem was with us throughout the early 1980s. When interest rates fell, farmers were still locked in to paying very high rates. The Prairie Grain Advance Payments Act was no different. Interest rates on defaulted accounts were set on the beginning of the crop year and stayed the same until the account was paid off. This Bill will change that. To avoid this problem, the Bill proposes that interest rates for defaulted accounts be allowed to fluctuate in relation to current rates.

These amendments will allow for more flexibility in dealing with outstanding defaulted accounts. The Board will be granted more latitude in dealing with producers who show that extraordinary circumstances prevented them from completing their obligations under the Act. I have and I am sure other Hon. Members have heard stories of illness, accidents or other conditions that prevent farmers from delivering grain on time.

Several regulations, routine and administrative in nature, are altered by Order in Council each year. The Government believes that this process takes too much time and creates unnecessary paperwork. It has seen fit to delete these requirements from the Act. As recommended by the Bill, the application form will no longer require Order in Council approval. Instead, the Canadian Wheat Board will be responsible for the approval of the form. The advance rate for the crop year will no longer require an Order in Council. The rate is set by the Wheat Board and its initial payments are already set by Order in Council. The current process is redundant and time consuming.

With these amendments, the Government has yet again demonstrated its commitment to reform and its concern for farmers. I strongly urge all Hon. Members to adopt these amendments and to pass Bill C-12 quickly.

Mr. Wilson (Swift Current—Maple Creek): Mr. Speaker, I would like to congratulate my colleague, the Hon. Member for Moose Jaw (Mr. Gottselig), on his contribution to this debate. I know the Hon. Member represents a vast grain growing area of south-central Saskatchewan and that he is a grain farmer himself. I am sure he notes with approval the strong commitment to the Canadian grain farmer in the Throne Speech and particularly the statement that the Government will spare no effort in assisting farmers and will work with provincial Governments and the farm community to develop a way of delivering a benefit of approximately \$1 billion to grain producers in Canada.

Considering his expertise in the area and his farming background, I wonder if the Hon. Member would care to comment on his view of the best way to devise a method of delivering this \$1 billion to the farming community.