

Supply—Agriculture

he can use any word he likes, certainly all statements about mass delegations to Ottawa do not emanate from me. They are from other people who are interested in sending a mass delegation to this city, and I know from acquaintance with the directors of the Saskatchewan wheat pool that at their general meetings over the last few years they have asked their board of directors to so press the deficiency payment policy approved by their organization upon the government that they would get a decision from the government and, failing a favourable decision, to undertake the organization of a mass delegation to Ottawa. It is not something new; it has happened before, and in fact it happened in 1942 when the Prime Minister was a member of the opposition. It can happen again, depending, I am sure, on what kind of legislation is forthcoming from the government in the days ahead. The farm organizations have carefully considered the question and they are advocating deficiency payments and they are dissatisfied with the item now before the house. They consider that if these requests are not met they will send an organized mass delegation, which is their right in a free country, to wait on this parliament and on this government in Ottawa.

I have no hesitation in repeating that I believe prairie people generally do not feel that this sum of \$40 million is adequate and that they are asking for deficiency payments as set forth by their farm organizations.

Mr. Churchill: I shall not detain the committee over long, but I do think in view of some remarks which have been made this afternoon by the Leader of the Opposition and by the hon. member for Assiniboia that a few facts should be placed on the record which will be helpful to those people who will be reading this debate with a great deal of interest because the subject is of very considerable importance to the farm population of western Canada.

In view of the representations that have been made to us during the last 14 months and the importance attached to this subject I think it would be helpful if some pertinent facts were inserted amid the remarks that have been made this afternoon. When the representatives of the farm organizations—the pool organizations—came to see us in January to present a brief relating to deficiency payments and other matters they pointed out that several countries of the world were making deficiency payments to their wheat growers. This argument has been used on many occasions and it is very plausible until we examine it carefully. They drew our attention to the fact that the following countries assisted their wheat growers from

a figure of \$2.06 a bushel up to as high as \$4.03 per bushel. They listed the following countries:

Ireland	Germany
United Kingdom	Brazil
Belgium	Italy
Japan	Norway
Austria	Switzerland

They said to us: this is the type of support which is given elsewhere. But with the exception of Italy, which now and again exports some wheat, the other nine countries are all steady annual importers of wheat, and the deficiency payment as used in those countries is used as a stimulus to production. They are trying to raise the level of production so that they may cut down their imports, and that is why they have made use of these deficiency payments. A deficiency payment used for this purpose in a country such as Canada which is a great exporter of wheat would not be anything like as helpful.

The deficiency payment asked for by the farm organizations was based on a bushel payment idea, which means that those who had wheat to deliver in the years 1955, 1956 and 1957 would be the ones who would get the benefit. They paid little attention to those who were in the position of having little or no wheat to deliver. Yet one of the basic problems facing western agriculture has been the variability of income due to the variability of crop conditions. Everyone in western Canada is familiar with that situation, and people throughout Canada should be conscious of it, too, because as the income of western agriculture declines the whole economy of Canada suffers, and it can decline anywhere between \$150 million and \$200 million a year depending on the crop that is harvested. This is really the basic problem affecting agriculture.

I do not overlook the problem raised by several hon. members and by representatives of the farm organization with regard to the cost-price squeeze. That is a pressing and perplexing problem, and it has to be met in so far as it can be met. Nevertheless the basic problem is this one of the variability of income and I should like to indicate some figures with regard to it. We are familiar with periods of high income and periods of low income on the prairies and although technological improvements and marketing techniques have tended to reduce this variability, for the foreseeable future it will remain a feature of any western farm economy not rigidly controlled.

A comparison of income per farm over a period of years must recognize the fact that the average size of farms has been increasing rapidly and that the "statistical" average income of all farms is much less than that of bona fide commercial farms, as a result of