

*Withholding of Grain Payments*

In view of this flagrant disregard of our law, I must join with the hon. member for Calgary North (Mr. Woolliams), who made such an eloquent speech a few minutes ago in his plea for the preservation of our democratic rights, in asking for the resignation of the minister responsible for the Canadian Wheat Board. This, Mr. Speaker, is a harsh demand, especially when it involves a fellow Member of Parliament from my home province of Saskatchewan. But, in light of his dereliction of duty to the farmers of western Canada, he has no alternative but to resign and take the Minister of Justice (Mr. Turner), who must be aiding and abetting him, with him.

A few minutes ago, the minister did his best to persuade his Liberal colleagues that we in the opposition are only "doomsters". He has misrepresented the facts as they really are, beyond any stretch of our imagination. What is the picture? Let us look at the record for the benefit of our many new government members who are not familiar with the true facts.

When our Conservative government of 1957 and 1958 took over, what did we find? We found wheat in every farmer's bin, every country elevator and in every terminal elevator. Even the skating rinks in the west were full of it. There were 850 million bushels of it. The Progressive Conservative government sold the wheat in every market of the world and made the largest sale ever made, some \$428 million worth to China in 1961. There were millions of dollars of sales to every other importing country. This put the grain farmers finally back on their feet.

Our government brought in crop insurance, the Farm Credit Corporation, the agricultural stabilization bill, the ARDA program, cash advances, \$125 million of acreage payments for crop under the snow and for drought stricken farmers, as well as many amendments to farm legislation that had already been on the statute books. What has happened since then? Liberals took office in 1963 and rode along on our good stewardship until they were party to the collapse of the International Wheat Agreement at the Kennedy Round in Geneva in April and May of 1967. This agreement was the farmers Magna Carta, and since its collapse the farmers have been in dire trouble.

Since then, wheat sales have gone down to their lowest ebb, as pointed out just now by the hon. member for Vegreville (Mr. Mazankowski). Prices have gone down steadily as well. Two years ago the initial price of wheat to farmers was \$1.70 per bushel. Last year it was reduced to \$1.50 per bushel. This year it is down to \$1.45 per bushel. So, the story goes. Two years ago the net income of Saskatchewan farmers was approximately \$416 million; last year this net went down to \$195 million. Putting it another way, three years ago average farm income was about \$4,800. Today it is less than \$1,200. That is the income of the average farmer. Some farmers have no dollar income at all; they are below that level and live off the depreciation on their machinery. It is the more successful farmers who help to keep the net average up at \$1,200. This unprecedented act of the present government in not meeting their obligation under the Temporary Wheat Reserves Act is unbelievable.

In the meantime, the interest that the farmer has to pay on loans is going up. His taxes are going up and his machinery and repair costs are the highest in history. Inflation is hitting the farmer at every turn. The high cost of living hits the farmer even more badly than it hits the average Canadian. A labourer can go on strike for higher wages to overcome higher living costs, but the farmer cannot do that. The latest blow to our agricultural industry will be the effect of the recently applied 10 per cent United States surcharge. To emphasize the seriousness of the problem, I do not think I could do better than read a few excerpts from the text of a Saskatchewan Pool Radio Broadcast on September 15. It refers to what Mr. E. K. Turner, president of the Pool said. The text reads:

Canadian farmers deserve financial compensation as a result of injury from recent U.S. economic policies, contends E. K. Turner, President of Saskatchewan Wheat Pool.

Mr. Turner has written to Prime Minister Trudeau to request that a payment be made.

The U.S. has announced a series of new economic policies designed to reduce the United States balance of payments deficit to improve her trade imbalance with the rest of the world and combat inflation at home.

A number of the proposals have direct implications for Canadians, especially the proposed 10-per-cent import surcharge on a number of Canadian exports to the U.S.

In his letter to Mr. Trudeau, the Pool President noted that Parliament has, under consideration, legislation to provide compensation to industries that are hurt by the American action.

Two or three days ago during a debate the Minister of Agriculture (Mr. Olson) indicated in a nebulous manner that the government would take action. We have been getting promises, more promises and nothing but promises from the government front benches ever since this government took office eight years ago. We want something concrete, Mr. Speaker. May I continue quoting from the broadcast text:

'In reviewing the figures of value of commodities affected,' he said, 'it would appear that of the \$2.7 billion total, some \$422 million, or 15 per cent, is animal and vegetable products. Therefore, a case can be made for a payment of about \$12 million of the \$80 million fund to agriculture, and hopefully passed on to the primary producer.'

I hope that part of the \$80 million which is to compensate Canadian industry will also be paid to the agricultural industry. Somebody said a few days ago, "That is only a peanut effort." I think the agricultural industry will be hurt by the United States measure. I continue quoting from the text:

Mr. Turner also noted that freeing of the Canadian dollar last year resulted in the loss of millions of dollars to Western grain producers, because the net result was an immediate reduction in the price received for Canadian grain traded in world markets.

'Actions by other countries, and also our internal policies, have tended seriously to reduce the revenue farmers receive from their grain products,' Mr. Turner said. 'With production costs rising year by year, the net income position has been steadily deteriorating. Government cannot ignore its responsibility to correct the situation.'

The text continues:

Pool President E. K. Turner was among a number of Canadian business representatives that met with Trade Minister Pepin