

Alleged Failure to Aid Western Farmers

the government is now involved were not instituted this year or last year.

Mr. Horner: Would the minister permit a question? He tells us that \$151 million was advanced under the cash advance legislation. Can he inform the house as to the amount expected to be repaid by the end of the crop year on July 31 under this legislation?

Mr. Olson: It is difficult to give that information at the moment. As the hon. member knows, 50 per cent of the payment on grain actually delivered to the elevator is used to pay the cash advance. Some estimates have been made. It is probable that between \$90 million and \$100 million of the total amount is still outstanding. I cannot give a precise figure because the amount is changing every day. Furthermore, I may say there are indications that these advances will not all be collected by the end of the present crop year. Indeed, I think it is fair to say that a substantial amount will still be on the books on July 31, 1969.

Mr. Horner: That shows how serious the position is in the west.

Mr. Olson: Let me continue. First, there was the cash advance program. Second, under the Temporary Wheat Reserves Act, during the crop year 1968-69 \$55 million will be transferred from the Canadian treasury to the Wheat Board. In the course of that fiscal year the amount was \$48.7 million.

Third, last fall the Minister of Finance (Mr. Benson) introduced a program of accelerated depreciation as a measure of assistance to farmers in their present situation.

Fourth, a sum amounting to \$7.1 million has been paid out under the Prairie Farm Assistance Act.

Fifth, a special quota was introduced last fall in connection with damp grain, intended to help out in the situation we have in mind.

Sixth, cash advances were made available to those who were unable to obtain credit for drying, to the extent of 10 cents a bushel. We estimate that \$2 million went out for this purpose.

Seventh, the Farm Credit Corporation has announced its readiness to consider applications for deferment of payments. I understand about 7,000 of these applications are now under consideration and that some deferments have been granted.

[Mr. Olson.]

Mr. Horner: Would the minister permit a question on that point? Is he saying that payment of interest on loans will also be excused, that permission will be given for interest payments too to be deferred while this crisis continues in western Canada?

Mr. Olson: No, we have not declared a moratorium on interest payments. We have said that if applications come in for deferment of payments under the contract for this year, such applications will be granted, and they have been granted.

Mr. Horner: What help will that be to the farmers if no moratorium on the interest payments is declared?

Mr. Olson: Well, Mr. Speaker, if you owe a bill and go to a creditor and ask him for permission to defer payment and the creditor agrees, knowing that although you do not have cash you have something to sell, surely that is of some assistance.

Eighth, parliament has amended the Farm Improvement Loans Act in such a way as to make it operative, and as a result the provisions of the act are increasingly being used. The legislation provides a government guarantee for the security of loans advanced to purchase farm machinery and many other things. I want to say that notwithstanding all the complaints which came from across the way the rate of interest is substantially lower than farmers were paying for credit on the same terms from the banks before we amended this act last fall.

Ninth, a substantially increased sales promotion program has been put in operation by the Wheat Board. The Wheat Board has already announced this increase in its activity. As the Minister of Industry, Trade and Commerce has said many times, it is not in our interests to make public the details of what has been done.

Tenth, there are the provisions made for crop insurance. In the three prairie provinces \$9.95 million was put out in benefits. For the information of those who do not know, the federal government pays 25 per cent of the premiums and bears 50 per cent of the administration costs.

Eleventh, about \$8 million was distributed during the past year in line with the I.G.A. support price prior to the agreement being ratified and made operative by all the signatory countries. This was done during the present crop year.