

place with respect to people who are conditional participants and those who might be rejoining the program.

• (1340)

There is an extension in the deadlines provided for in the legislation. The committee may want to look at that and perhaps even extend those deadlines beyond the prescribed dates in order to encourage as many people as possible to participate. The list of eligible crops covered by the program would be extended by the amendments. The fees would be raised, both the levies charged to the participants and also those paid by the Government as another way in which to make the program more fiscally responsible than it has been up to this point in time. There are some changes and proposed amendments with respect to people opting out, because some people may not wish to remain in the program and they would have the opportunity to opt out.

In general terms, as a result of the consultation process in which we have engaged to date and in which we assume the standing committee will participate, we are hoping that a significant number of western grain producers will conclude that it is to their economic advantage to participate in the program. As a result of the amendments we hope that the program will be in a more sound fiscal shape than it is right now. Quite frankly, if it were not for the support and the willingness of the Government to write-down some of the debt, I do not believe that this program could continue. That might be a debatable view, but that is my view, and it is the view of the Government.

With those brief remarks, Mr. Speaker, I recommend the amendments to the House and to the committee. In the interests of ensuring that the program remain viable I hope that the committee will be able to report back to the House in the relatively near future.

Mr. Maurice Foster (Algoma): Mr. Speaker, I am glad to have the opportunity to speak to Bill C-132, the Western Grain Stabilization Act. It seems that agriculture legislation gets a very low priority around here. Last week the Minister of State for Agriculture (Mr. Blais) spoke to a rush-up job on the Canadian Agriculture Products Standards Act. This week we heard the Parliamentary Secretary. We would like to see the Minister of Agriculture (Mr. Wise) in the House to defend the legislation, or at least the Minister of State for Grains and Oilseeds (Mr. Mayer). So far we do not seem to attract that assistance from the Minister, because we do not have a chance to put these Bills through.

Mr. McDermid: What is the matter with the Parliamentary Secretary?

Mr. Foster: If Members opposite wish to speak, I will be glad to listen. We can talk until 2:15 p.m. or move the legislation along, just as you like.

It is interesting that there is such great support for the Western Grain Stabilization Act. I recall back in the 1970s

Western Grain Stabilization Act

when Otto Lang was the Minister responsible for the Wheat Board and brought this legislation into the House and attempted to establish the concept that there should be stabilization of the grain industry in western Canada, and mechanisms should be put in place that would be triggered when world prices of grain were down or when the volumes were down.

In the last two or three years we have seen the wisdom of that legislation brought in in the 1970s by Mr. Lang and supported by his Parliamentary Secretary, Mr. Goodale. This legislation has shown its worth, if only last year when \$1.4 billion was paid out under this program. In the previous year it was close to \$1 billion, and payments will be needed this year.

This legislation is designed to bring greater participation, and to that extent, I support the legislation. It is desirable that we have greater participation. Ultimately, I would like to see that this legislation is the main way in which we stabilize western agriculture, as far as grain production is concerned. I am not sure that this Bill goes that far, but these amendments are designed to provide flexibility and retroactivity, and remove the penalties for not participating. I believe it will encourage a larger number of farmers to participate. It will provide for a larger number of crops to be utilized under the program.

Because the Government has written off the \$750 million for those who have not participated, they believe that those funds should have been channelled through the special grains program. From a purely equitable and fair point of view they are correct, but the question arises from the point of view of the Government how that deficit would be paid, because the additional contributions that would have to be raised are inordinately large.

This arrangement provides that the contributions made by farmers will be increased from a maximum of \$600 to \$2,400, whereas the contributions of the Government will only be increased by 100 per cent. In the committee we will certainly want to look at the fairness and equity of that arrangement.

At the committee stage we will certainly want to be clear how the Government will make this program feasible in the long term. From officials we will want to know whether the increases to 4 per cent and to 6 per cent will be adequate to make the fund actuarially sound, or whether there will have to be large cash injections such as the one provided for under this legislation of some \$750 million.

Because this is based on market returns, and market returns drop down, as we have seen in last three or four years, we will also want to know how this mechanism will provide an adequate return. It is not the market returns that farmers are concerned about, but that the costs of production are covered, and clearly those costs have been marching up every year, while at the same time the price of grain has dropped by 50 per cent during the last four or five years.