

Prairie Grain Stabilization Act

amendment is an opposition to the form of the bill and is not an opposition to the principle of the bill. He is suggesting that the way in which the House should deal with it should be changed. Again, that is a matter of debate but it seems to me that it is not acceptable as a reasoned amendment. Therefore, I must rule that I cannot accept it.

Mr. Jack Murta (Lisgar): Mr. Speaker, I have waited a long time for an opportunity to speak this afternoon and I am glad now to be able to speak on Bill C-244, an act respecting the stabilization of prairie grain sales. I would like to say at the outset that I believe that a form of stabilization of farm grain sales is popular among prairie grain producers.

I should like to deal with one of the most important aspects of the program. I believe that it is basically designed to establish a policy with an initial interim payment of \$100 million to western farmers in the current crop year. It is designed to hold cash farm receipts at a predetermined level. The fund itself will be on a two to one ratio, the government contributing 4 per cent of the total receipts for each year and farmers contributing 2 per cent of their total up to an average cash receipt of \$15,000 payable from any one farm. This will mean the total that any one farm will end up paying in any one year is \$300.

At first glance, the idea of having a relatively stable income in the grain industry has a basic attraction, although the plan does have faults, one fault being that it ignores completely the cost of living or the inflation factor. We all know that the cost of living has risen rapidly in the past few years. I believe that the inflation rate quoted by a good many economists is now 4 per cent to 4½ per cent a year. If this plan were to be implemented in the form proposed by the minister, this inflation rate or factor would be completely ignored and the burden would be on the agricultural producers who were unfortunate enough to be affected in this way.

In other segments of our society, when there is bargaining at any level this is one of the costs that is automatically built into the bargaining mechanism, but because the government is dangling \$100 million in front of western Canadian farmers in the current crop year they feel they can accept such a plan. In reality, farmers will find that when the plan is in effect they will end up in a situation similar to the present one. If the plan is to be of any real benefit to the grain growing community we should consider this aspect when the legislation goes to committee.

The plan does consider the industry as a whole but, I suggest, only on a gross receipts basis. As I mentioned before, it does not take into consideration the costs of production, inflation, etc. One of the real faults of this kind of legislation is that it ignores the individual farmer or grain producer. This could happen in Manitoba where due to weather conditions farmers might have a small crop but under normal conditions they would qualify for a stabilization payment. But if Saskatchewan, which produces most of the grain grown in western Canada, had a good crop, and Alberta also, thus keeping the average up

[Mr. Deputy Speaker.]

to the point where there was no need for a stabilization fund, Manitoba farmers paying into the fund would receive no real benefit whatsoever, when in reality they should receive some payment.

● (3:40 p.m.)

That is why this legislation is similar to Bill C-176, the marketing boards bill, that we have all been talking about. Basically, it is poorly drafted legislation in that it ignores the rights of individual producers affected by it. It gives the power and control to the government, to the civil service, and takes it out of the hands of the producer. When the legislation is being considered in committee, an alternative that could be examined is a plan devised on a net income basis, as suggested earlier this afternoon, thus allowing for variations in cost factors. As we all know, cost factors vary greatly from the Red River Valley in Manitoba to central Saskatchewan or to a spot in northern Alberta.

I do not believe that there are many western farmers who would not like to have their income stabilized at a reasonable level, although there are a great many farmers who do not believe that the proposed grain stabilization program will adequately meet their needs. It was felt, and I believe rightly so, that if contributions were to be made by grain growers to the stabilization plan, they should be based on a maximum of 1 per cent of their gross sales, of course with the assurance that PFAA was to be discontinued, and as we see in this legislation, it is to be discontinued.

If we are to look at some form of government stabilization for the grain industry, then I believe the government should be paying a greater percentage than it is. I say this in light of the kind of legislation with which we are dealing. If the government is bound and determined to meddle in the affairs of farmers, then the federal treasury should be prepared to shell out more money than is proposed in this piece of legislation. Payments from the fund could then be matched by the government on a one to six ratio, meaning that for each \$1 that the farmer contributed, the federal government would pay \$6.

I would also like to see a provision that contributions by producers to the fund would cease when the fund had accumulated \$100 million at any one time. Then, of course, interest could be added to any balance in the fund. As I stressed previously, payments to producers from the stabilization fund should include a factor directly related to the changes in the cost of inputs into production. A program such as this should be subject to a complete review annually, Mr. Speaker. I suggest it should not be reviewed by the civil service and by the minister himself. It should be reviewed at the local farm level, giving people directly affected by it a chance to voice their criticism or praise of the program. In this connection I refer to clause 22 of the bill which provides:

The minister shall establish an advisory committee consisting of a chairman and four other members to be appointed by him from among producers and representatives of producer organizations.

(2) The advisory committee established under subsection (1) shall

(a) meet at least once a year; and