

Prairie Grain Advance Payments Act

I have not heard one word from hog producers about supply management since the price started to go up. This tells me that there is a good dollar being made there. Beef producers and chicken and turkey producers are enjoying much better prices with lower feed costs. Milk producers have their own long-term agreement and now also have lower feed costs. Grass seed and other forage crop producers are experiencing excellent prices and good yields. Honey producers generally had a lower yield but prices were good. I also heard that wild rice producers had a good yield and that prices are good. This, of course, does not help the bulk of farmers who are grain producers.

Just to indicate how serious the situation is, let me tell the House where the producer stands today. In the 1950s when there was a surplus of grain, before the Hon. Member for Qu'Appelle—Moose Mountain (Mr. Hamilton) sold grain to China, barley was trading among farmers and feed lots at three bushels for a dollar or 33 cents per bushel at the farm. This was because of a surplus in the system. All elevators were plugged. With that 33 cents per bushel, a farmer could buy 1.5 gallons or 6.8 litres of fuel.

Today's initial price from the Canadian Wheat Board is \$1.40 to the farmer. This will not buy one gallon of fuel. It is more likely that it will buy 3.5 litres of fuel. However, if the farmer has registered his number, he will be able to buy one gallon of fuel with that one bushel of barley because the Government has taken steps to reduce the cost of fuel to the farmer.

The same applies to wheat. The Canadian Wheat Board's initial payment to the farmer is \$3.20. With that money, he cannot buy two gallons of fuel. In the 1950s, combines cost less than \$5,000 but now cost over \$100,000. The comparison could go on and on and the answer would be the same. The cost of producing grain in Canada, even though there are better varieties and better yields, is far too high for the return per unit.

Some young producers who borrowed money to get started have paid interest to the amount of the original loan and still owe the original amount or more. Prices did not follow the inflation that was occurring at the time and all experts predicted that farmers would pay with the inflated dollar. Many producers are very good at what they do but they do not stand a chance if we carry on with the same old approach we have been using.

I do not think the federal Government can solve this problem alone. We must have co-operation from all segments of society. Each group connected to the problem is fighting to protect its own empire and will not give in to lower costs but rather is looking for ways to increase costs. In my opinion, these groups are fiddling while Rome burns.

Prairie pools and co-operatives have not dropped charges by one cent per bushel. Neither have they offered to pay any of their producers part of the money that is held back in dividends. Banks and financial institutions have not brought rates

down but rather have thrown other roadblocks in the farmer's way. Chemical and fertilizer companies still charge the maximum price. Each one is valiantly protecting his own empire but hollering at the federal Government to do something.

The federal Government has done many things, the latest being a distribution of \$1 billion which the farmers will have soon. However, we cannot do it all if we do not get co-operation from the rest of those involved. The Farm Credit Corporation will have to show leadership and come up with innovative ideas to get us over this hump. Why not take 25 per cent of the crop as a payment? Why not lower interest rates to 6 per cent and readjust them when prices get better? Why not allow producers who take in family members as investors to do so without having to pay penalties on the loans? Why not have set-asides for those who have no alternatives? Banks and financial institutions should follow that example. Other innovative ideas must be there and all should be used.

Grain handling companies and chemical and fertilizer companies should do everything they can to bring down the costs to the producers. If every organization co-operated, we may be able to save the grain producers of Canada. If we do not save them, cheap food in Canada will be something of which we can talk when we talk of the good old days. We might even have to pass a law to make it illegal for financial institutions, Governments, Crown corporations and the like to own land. What happened to that pool of money that was supposed to be available to lend to farmers at 6 per cent? The empire builders are again protecting themselves and a good idea lies dormant.

Now that I have that out of my system, Mr. Speaker, I would like to talk about a more pleasant subject. Very briefly, I would like to take a few minutes to tell the House about my great constituency of Mackenzie in Saskatchewan.

Mackenzie is the largest federal constituency in Saskatchewan and is comprised of some 75,000 square miles in north-eastern Saskatchewan. The people of my riding are a hard-working, aggressive, God-fearing, family-oriented mixture of races and religions who have all learned to live in harmony with the land in both the north and the south. The bulk of my constituents live in the agricultural area south of the tree line, about 30 miles north of my hometown of Nipawin.

Our type of agriculture is grown in what is called the parkland area of Saskatchewan. We grow over 100 varieties and kinds of crops including all grains, canola, flax, forage seed crops and faba beans. All the alfalfa dehydrating plants in Saskatchewan as well as a canola oil extracting plant are located in the constituency.

Honey is an important crop in the agricultural scheme of things with about 30 per cent of all Canada's honey production coming from the Mackenzie riding. This industry creates numerous permanent jobs and provides a great source of summer employment for young people who do field work and