

Western Grain Stabilization Act

market should be sufficient to cover the cost of operations. In some years they make a little more money; in others they make a little less. However, on average they should receive a sufficient return from the market to pay their operating costs and to make a living. That is the basis of the whole idea of income stabilization.

Since we are confined to the grain area of farming in this particular Bill, we suggest that a number of the recommendations of the Canada Grains Council which have been put before the Government should be included in the Bill at this time while it is open and before us. I am sure Hon. Members of the Official Opposition would go along with the idea of bringing in a number of other amendments which could be discussed during the committee process.

The Minister suggested that he was willing to bring in an amendment concerning the interim payment at report stage. This bothers me somewhat because I would rather see it introduced at the committee stage, which has been the case with other Bills. There seems to be a certain amount of blackmail in that procedure. If it is brought in at committee stage, we can discuss it and improve upon it. However, the Minister has indicated that it will be brought in at report stage and that we should get the Bill out of committee and into report stage. I abhor that kind of blackmail. We should try to convince the Minister to bring in all his amendments as quickly as possible so that we can deal with them in committee.

We in the NDP suggest that some regionalization must be established because it is very important to the viability of the grain producing area of the west. I gave a good example of the Hudson Bay area of Saskatchewan which has experienced three consecutive crop failures. If we look at the *Western Producer*, we find a couple of hundred advertisements for the sale of land in that particular area. As well, many farmers are ready to rent their land at rock-bottom prices. The crop failures for three years have almost eliminated farmers who were dependent upon cash flow. They have no cash flow and they are being eliminated by that fact. They could have been saved by a regional payment from the stabilization plan.

Also we feel that the triggering mechanism should be looked at, not on the basis of whether it will pay out \$250 million right now or as quickly as possible, but upon the basis of what is best for farmers over a long period of time. Instead of sitting in a back room calculating what formula will pay out \$250 million this year, we should be looking in committee stage at the formula and asking whether it will be effective from now on. We should ask whether it will have the same impact or effect we want it to have over the next few years.

We would also suggest some sort of averaging factor. The idea of moving from five years to three years is an improvement, but it still leaves the basis of the payments of income up to the volume of sales. There should be an averaging factor which would allow for the cost of production. Of course, that varies each year as well. We must take into consideration what happens to a particular farmer in a particular area.

Another averaging factor could be used in the case of crop failure in an area for more than one year. There should be a recognition of the fact that the need for stabilization payments in that event is greater.

I have tried to suggest that there is a need for more flexibility, that we need to take a look at the shortcomings of the plan and improve upon them now rather than trying to improve them next year or the year after. We should do the best we can now.

● (1350)

If you look back at the debates in 1978, Mr. Speaker, you find that at that time both Opposition Parties put before the Government very good suggestions which, had they been accepted at that time, would not have us in the situation we are today. We would not need this Bill. We are improving the Act, but not as much as we could.

I put before the House the NDP position on what we think should be the over-all approach to income stabilization for the grain farmer in Canada. I have one further point I want to make because the Minister made so much of it when speaking today. He suggested that the return to the farmer has been the amount of money he has put in. In 1977-78, the farmers were paid \$368 million. It must be recognized that the deal that was made was that that \$368 million was to be made up of \$123 million from the farmer and \$246 million from the Government. That was the deal when we passed the Bill in 1976. You have to start then and look at the \$900 million that is now there and recognize that one-third of that money is the farmers'. It is there either because the farmers put it in directly or because the money was there and collected interest; but one-third of the money is farmers' money. Any suggestion that we are getting more back from the \$900 million than what was put in by the farmers is wrong.

I hope that what I have been able to do is put before the Government the kind of approach we should be putting before it and which the Government should be taking to change the whole idea of income security for agriculture. Agriculture is our most important industry. If we do not keep the farmers viable, we will suffer for it, as will the rest of the world.

Mr. Doug Neil (Moose Jaw): Mr. Speaker, at the outset I would like to say how pleased I am that the Minister for External Relations (Mr. Pepin) is piloting this Bill through the House. I believe the Minister has more credibility among the farming population in western Canada than any other member of the Cabinet. I am pleased that he is here today and is participating because he has an understanding. He gained that understanding when he was involved in the Crow Bill. Unfortunately there was a change of Ministers during the process of the Crow Bill because he had a feeling for the farmers. He was sympathetic. I think he still has that same feeling for the western farm producers.

Last night I re-read in *Hansard* the speech of the then Minister of Justice, the Hon. Otto Lang, when he spoke at second reading on the original western grain stabilization Bill