

Government Orders

even lower, and given that GRIP covers \$4.15 you would think that it would be a sure thing for a pay-out. But this is a gross revenue insurance program, so it is price times yield.

Even though the price may be one-half what the target price is, if the yield is double a normal crop, you would have produced yourself out of a pay-out. You may not be able to sell it, but that does not matter to this program. You would simply be sitting there with bins full of grain and no money, and probably complaining and yelling for the kind of solution that Les MacPherson in the *Star Phoenix* was offering: to shovel out money and send car loads to the rest of the bins. Now, because they are already full, there would not be room, I suppose.

Anyhow, those are some of the questions that are being asked. At committee I want to find out more about the assumptions that are being used to achieve what are described as actuarially sound premiums, because some of the premium prices I have been hearing sound as if the government is going to have great difficulty in keeping the fund out of deep debt for a long time.

I am concerned about that because this legislation appears to be intending to integrate the debt that is already there in the western grain stabilization fund account which, on February 1, was approximately \$1.1 billion. I think the new act will also probably be required to absorb—though it is up to the cabinet to decide in both cases—the reinsurance fund debt which exists under crop insurance legislation. That is \$471 million of debt as well. It is not expected to get itself out of trouble for at least six years, and under this program it may take quite a lot longer than that.

I want to know more about what sorts of arrangements are being made, whether the government is using a 15-year cycle, a 30-year cycle, or whether it is trying to keep program actuarially sound over 10 or 15 years.

There are going to be questions in committee about the cost. Also there will be the question of equity to smaller agriculturally dependent provinces, the shifting and offloading of the cost of food on to the areas that produce the food. Essentially what we are doing when we shift the cost of these programs, which have traditionally in this country been mainly federal in order to sustain prices and look after export problems because there are many metropolitan areas in this country that have a larger income and tax base, and need this food.

This program and this government are proposing—the program does not force them to; it is the kind of deals it is getting into—to make provinces like Saskatchewan carry a very high per capita debt each year in order to get GRIP; to make Manitoba carry a very high per capita debt each year in order to get GRIP and NISA. The same will apply to Prince Edward Island if the program is expanded to include potatoes.

• (1310)

These are questions that have to be dealt with.

Also, we have questions about GATT conformity. We were told by the minister—and I tend to concur—that the legislation itself is not breaking any GATT rules, but the agreements that have been talked about, I believe, are. I believe those are, as they say, “GATTable”. Some of our products will be subject to countervail and dumping actions as a result, particularly if we continue with the program as it is now where, as some analysts have pointed out, it has a wheat bias. If we do not take that wheat bias out, our wheat could very well be countervailed.

We have to know fairly soon, whether in committee or in this House. Somewhere the government is going to have to address the very real problem of the one-year GATT payments. Even if GRIP and NISA come into play, the programs will not be putting very much money into farmers’ pockets until some time in 1992.

The last government payment to help us fight, sustain, and live through the American-European grain war occurred in July to September across the country, and there will be over a year’s lapse in assistance. That gap has to be filled, and this government has to decide very quickly how that is going to be done and when it is going to be done.

Finally, there are questions of sustainability for rural communities, not just sustainable in the economic sense and not just sustainable in the environmental sense. But, if we are going to talk about sustainability in the environmental sense, let’s remember that people are part of the environment too. The communities that those people are trying to sustain in those rural areas are also part of their environment; not only their ecological environment but their social environment. These programs that are being developed have to reflect that.