

Advance Payments for Crops

has presented in the form of motion No. 2 is in danger of being out of order.

I would refer Your Honour specifically to the royal recommendation. In its own words, it recommends "the appropriation of public revenue under the circumstances, in the manner and amounts and, for the purposes set out in the measure entitled "An Act to facilitate the making of advance payments for crops." The only mechanism specified in the legislation for accomplishing the purpose of that recommendation is to provide for the availability of cash advances through the auspices of farm organizations. This is clearly explained in the definition clause of the bill and, later on, in some of the clauses dealing with the mechanism to be used. In other words, cash advances to producers of the crops defined in the legislation would be available through farm organizations. This is clearly the intention of the bill.

● (1640)

The hon. member's amendment seeks to depart from that principle by providing that cash advances, or loans as they might be called, I suppose, in layman's language, should be available not only through farm organizations but under other arrangements subject to a government guarantee. This is really quite a different principle from that outlined in the bill, wherein it is stated that cash advances may become available only where farm organizations are involved. This is clearly set out in clause 4(1). I will read the opening words: "Where an organization proposes to make an advance to a producer—", and so on. The hon. member's proposed subclause would go beyond the provision set out in clause 4 and would provide that individuals would be in a position to secure advances without availing themselves of the services of a farm organization. It goes not only beyond the terms of the legislation as presently drafted, but beyond the terms of the royal recommendation, for which reasons I respectfully submit it is out of order.

I do not wish to stifle the hon. member's opportunity to present his views on the subject, but I suggest that at a later stage he will have an opportunity to express his concern. Unfortunately, he might not be able to present his views at this stage, because the amendment he proposes is, I suggest, out of order.

Mr. Stanley Knowles (Winnipeg North Centre): Of necessity, Mr. Speaker, much of what has been said on the procedural point has really been addressed to the specifics of the amendment. However, it seems to me we have heard more argument against the substance than we have heard in favour of it, and I think it might be easier for Your Honour, as well as for the House generally, if we could hear more argument about the merits of the proposal. I should like to indicate my support for the suggestion Your Honour made earlier—that it might be the fairest thing to do to let the debate take place and defer any ruling until it has been completed. I notice there has been no argument raised from the government side to the effect that this proposal would involve the expenditure of money.

An hon. Member: Oh, yes it would.

[Mr. Goodale.]

Mr. Knowles (Winnipeg North Centre): Not of more money than would otherwise be expended under the bill. The argument has been directed to the avenues through which the money goes, not to the total amount involved. In any case I hope Your Honour will permit the hon. member for Wetaskiwin (Mr. Schellenberger) to present his motion and defer your decision until later.

Mr. Speaker: For two reasons I am prepared to do precisely that. The first is that from a procedural point of view the matter leaves me in some doubt and therefore I should like to defer a decision on purely procedural grounds. Moreover, I would need to understand more clearly the technical operation of the part of the statute under consideration. I know it is contemplated in the bill that payment be made through producer organizations, but whether that is a principle of the bill or simply a method of carrying out the principle of the bill is not clear to me at the moment, and the only way to resolve this doubt is to hear argument in debate which may throw some light on the technicalities of the measure. I will therefore call the motion in the name of the hon. member for Wetaskiwin.

Mr. Schellenberger: Mr. Speaker, during the debate on the second reading of Bill C-2 I rose to take part in the discussion. At that time, along with colleagues on both sides of the House, I expressed approval of the minister's proposal to provide for advance payments for crops. Since 1958, western farmers under the auspices of the Wheat Board have been receiving advance payments for cereal crops, and I feel it is only right that other farmers who produce crops capable of being stored should receive cash advances as well, in order that they might be able to take advantage of the best possible prices for their commodities.

The bill is basically a good one, but I believe there is room for improvement. It is thus with the intention of strengthening the measure rather than weakening it that I present the following amendment for consideration:

Where a suitable organization willing to assume the obligations of this Act does not exist, the Minister may guarantee to a bank the repayment of a loan made to a producer under the same terms and conditions as prescribed in this Act for an advance made by an organization.

Adoption of this amendment would allow for added flexibility in the administration of the legislation. As the bill stands at present, an individual producer will be excluded from the benefits of the legislation if (1) there is no organization in close proximity to the farmer concerned, (2) there is an organization but it is unwilling to undertake the responsibility of administering the act, or (3) the individual producer concerned has no desire to join an organization. Let me take a few moments in which to discuss these three contingencies in a little more detail.

In many cases there is no organization in existence which could perform the intermediary function of providing advance payments. Despite the minister's devotion to supply management systems, many farm products are still not covered by such a scheme. To exclude these products because of the lack of an organization structure would be unjustifiable. Even where organizations do exist, they may not meet the definition