

GRAINS POLICY PROPOSALS

The Minister responsible for the Canadian Wheat Board, Mr. Otto E. Lang, recently announced that the Federal Government was prepared to increase very substantially its commitment to the Prairie grain industry. This, he said, would be the effect of implementing the policy proposals made public at the end of October last year. Excerpts from the Minister's statement follow:

In the past, the Government's role has been primarily to assist on the production side through the Department of Agriculture and to provide a mechanism for pooling marketing opportunities through the Canadian Wheat Board. The proposals that I have put forward for discussion would extend this commitment to include active Government participation in market development, provision of meaningful and direct information on which farmers can base their decisions on the proper crops to produce each year and substantial participation in a plan which would shield farmers from violent annual fluctuations in cash receipts because of changing marketing conditions.

The programs that have been suggested are designed to help make the business of growing grain a more profitable and reliable one. It must be apparent to all who consider the matter carefully, however, that the main source of the revenues which must maintain the grain farmer is not the Canadian taxpayer but the customer. It is for this reason that the programs are aimed at securing the maximum possible return to farmers from the market-place.

SUBSIDY NOT THE ANSWER

An industry in which the revenues at the best of times are insufficient to maintain the persons employed in the industry with an adequate standard of living would be a sick industry indeed. To maintain such an industry through payment of subsidies from tax revenue would require an overriding social objective to prevent the movement of the people in this industry to other employment. This would, in effect, be the result of implementing suggestions which are made from time to time that the Federal Government provide whatever sums of money would be required to assure that persons engaged in the business of grain farming always received an adequate

net income from farming, regardless of the value to Canada of their production.

I do not believe that the grain industry is or needs to be perpetually poor. I believe, and I think most grain farmers believe, that the Western grain-producer can compete in international markets. I believe that with the marketing efforts that have been and will in the future be made by the Canadian Wheat Board, combined with the strong market-development effort by the Federal Government, revenues from the sales of grain in the future will in many years be sufficient to maintain a strong and viable grain industry.

GRAINS STABILIZATION PLAN

Despite the basic strength of the industry, we must recognize that it is subject almost completely to the vagaries of the international market-place. While receipts in many years will be adequate to maintain the industry, there will undoubtedly be years in the future, as in the past, when the markets will just not be there. It is to deal with these circumstances that I have proposed the Grains Stabilization Plan. The plan does not guarantee that the farmers income will always be adequate, or that the industry will always remain able to support the number of farmers that are in it. What the plan does is to assure that whatever size of grain-farming industry can be supported by the revenues from marketings on the average will be maintained without disruption or hardship through those years that fail to reach the average.

I believe that the competence of the Prairie farmer, the advancements in Canadian agricultural technology and the aggressive marketing system which we will have in the future will permit the grain industry to continue to be viable through revenues from sales in most years. The Grains Stabilization Plan will provide the method by which the Federal Government will pay a very substantial part of the cost of carrying the industry and the farmers who participate in it through those individual years which would otherwise cause hardship to the farmers and their families and serious injury to the strength and viability of the industry in total.

UNEMPLOYMENT INSURANCE CLAIMS

During November 1970, 204,000 claims for unemployment insurance benefit were filed, 61,000 (43 per cent) more than in October, and 38,000 (23 per cent) more than in November 1969.

The 480,000 people claiming benefit at the end of November included 81,000 (21 per cent) more than

those who claimed at the end of October, and 131,000 (38 per cent) more than at the end of November 1969.

Benefit payments totalled \$37.6 million in November, \$40.4 million in October and \$27.6 million in November 1969. The average weekly benefit payments for these three months were \$35, \$34.62 and \$33.17 respectively.