

Borrowing Authority

Weaning operators were not named under this plan. However, the minister, in his wisdom, realized that many of these producers had a legitimate complaint and took the appropriate action. It seems to me that if we can name a cow-calf operator as a beneficiary of the act, there should be no reason why we could not name the weaning operator as a beneficiary. Essentially these producers are producing the same kind of commodity, namely, a young animal for further finishing. This group is eligible for payment under this act of \$1 per head, but they will not receive their payments until after the payments have been made to the hog producers. These people could be waiting for over a year to receive their payment.

With the sophisticated equipment available to the government for keeping records and printing cheques, certainly a system could be put in place whereby this assistance could be made available to the producers at a time closer to the production period in which the producer had a financial problem. If the payments are not made closer to that period in time, then the benefits accruing under the plan are largely ephemeral because by the time the producer has received his cheque he has gone out of business or he has survived on his own. In either case, the payment is of little value in terms of some producers remaining in business, and that is the intent of the plan.

In some respects the Agricultural Stabilization Act is a good measure because it gives the producer the assurance of meeting some of his variable costs in periods of high production and low prices. I know the minister will say that if the producers had a better marketing system they would not need this Agricultural Stabilization Act, because they would have a guaranteed price under a tightly controlled supply management system.

One wonders because of this slowness in payments to the producers if the Department of Agriculture is not trying to force some of the producers into these supply management programs for cattle and hogs with which the minister is so much in favour. I urge the minister to take seriously his responsibility to livestock producers in Canada and consider the financial plight of many of these producers because of low prices, when the Agricultural Stabilization Act comes into play. I urge the minister to do as much as he can within his department and with Treasury Board to get these payments out closer to the production period so they will have some meaning to the producer.

I am also concerned about the way in which the herd maintenance program has been administered. I realize the program was hurriedly set up because of the drought situation in western Canada and parts of northwestern Ontario this spring. The announcement of the plan was welcomed and I for one thought it was a good plan. Money was simply made available to producers on a per head basis. The producer was then free to decide what he would like to do with the money; whether he would buy feed from his neighbour or from further away and pay transportation costs. The producer could decide whether he would bale straw or buy grain. The producer received money which he could use according to his manage-

ment decisions. The program was good simply because an individual operating with his own money will make the best use of that money. When the government said it would help the producer to maintain his breeding herd of cattle, the producer was not obligated to take part in one specific plan, transportation program or whatever to become eligible for assistance.

Under the initial plan, \$140 was available for each dairy cow, and \$70 per beef cow to a maximum of 300 head. Subsequently the plan was cut down to \$70 per dairy cow and \$35 for each beef cow. I talked to one producer who said that he would have been better off had the government kept out of the matter and not announced any plan at all. As the result of the original price allotment the price of feed went up in my area from \$50 to \$70 and \$80 per ton. When the government cut the initial allotment by half, the producer was forced to pay more for the price of hay than he would receive per head from the program.

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I do not know why the government chose to spend as much money as it did advertising the herd maintenance program in western Canada in the printed media, radio and television. If it had used the expertise which apparently was available to develop that sophisticated advertising program and put it into the substance of the program itself, everyone would have been better off. That was only the start of the problems with the herd maintenance program.

At the start, the assistance was to be paid on the basis of municipalities. The minister then recognized that rain does not necessarily fall according to municipal boundaries. Then it was decided that the plan would be administered on the basis of crop districts within the prairie region. That made more sense, except that the plan was to be administered on the basis of an 80 per cent grain yield. I have spoken to producers who had only 20 per cent of their usual annual hay yield and yet had close to a normal grain crop. So there is not necessarily any correlation between a poor hay crop and a poor cereal grain crop.

I have also spoken in the last month or six weeks to producers in the west whose applications had been turned down, some for very technical reasons. I know of two brothers who farm together; one received assistance, and one did not. I have heard of neighbours who worked together, one living across the road from the other, and one received the assistance while the other did not. Nobody knows why, so people say, "If my neighbour gets it, then I should be eligible."

I know the minister has established a review committee to look into these problems, but I am sure many of these problems could have been avoided if thought had been given to the way the program was developed and administered. Its present administration has caused some ill will in western Canada.

Just after the new year I had occasion to visit the offices in Regina where the plan is administered. The people administering the plan were doing a good job under very trying circumstances, as they had a large number of applications with which