Agriculture; that in the province of Manitoba similar studies had been made and published under the imprint of the Department of Agriculture of that province. The answer given by the minister was really that no attempt had been made to relate what this bill purports to do to the actual costs of production—in other words, to the actual need of the farmer. This is why I quote at some length from the document to which I have referred.

• (8:30 p.m.)

The Manitoba government goes on to refer to this bill. It says that one characteristic of a moving average such as is used in the bill is that it declines when the figures which form the base decline. The document goes on at some length to show what happens. It reads:

> Let us examine the claim that the plan will achieve stabilization at 4 per cent above the average revenue from the market place. On July 31, 1968, the five-year average as defined in section 3(1)(a) was $1,028 million. On the basis of the guaranteed deliveries announced by Mr. Lang last March, the total value of marketings in the 1971-72 crop year will be between $800 million and $950 million depending on prices. If prices are weak, the stabilization account could be called upon to make a payment of $100 million. If prices hold up well, sales will be just sufficient to equal the five-year moving average.

This is what would happen if no cost of production factor is taken into account. One of the objectives claimed for the bill is that it will help farmers plan their investment. The Manitoba submission sets out what would happen to a farmer's income as a result of a plan of this kind. A farmer with average sales worth $10,000 would probably move down to sales averaging $6,660 over a period of years. The submission reads:

> However, if you consider the level of gross receipts upon which a farmer has to plan in the 1970s and compare them with his receipts in the 1960s you will probably understand that for purposes of investment the only sound decision the farmer can make is to invest nothing at all.

This is a serious statement but, again, it ties in with the amendment which has been proposed. The amendment says, in effect, that if we are to be realistic we must take into account production costs in the industry and increased production costs which will probably arise in the future, otherwise it is no doubt true that the farmer will make a decision to invest nothing at all. If he does make such a decision the agricultural industry will rapidly decline.

I do not know what the minister's long-term objectives are but at some point, if one can judge by the bill which has been brought into the House, he will tell us that his long-term objective is continued poverty for the grain farmer. That is the only projection one can make on the basis of the bill before us. The Manitoba document says that had a plan similar to the one now proposed been operative from 1926 onward, there would have been no payments between 1934 and 1954. In other words, in the depth of the depression from 1934 to 1940 there would have been no payments made at all under the plan as drafted here. The reason is fairly obvious: the plan does not take into account increased costs, or the cost of production, and it cannot take into account declining prices because it is too rigid and is not tied to yearly fluctuations.

The document from which I quote shows extensive graphs which I am sure have been available to the minister. He could have looked at them. The document says:

> The base upon which prairie grain receipts will be stabilized in the first five years of the plan will be about 65 per cent of the average of the late 1960s (about 70 per cent of 90 per cent of total receipts in that period).

Mr. Speaker, I may be forgiven for quoting so extensively from the Manitoba document because we were not provided with any adequate material by the minister. We asked for it. We received a single sheet with some figures spread across it. I am reminded of the reeve of a municipality who used to attend conventions at which he always had an uproarious time. When he returned, his colleagues would ask him for a report. He would fish copies of the local paper out of his club bag, place them on the table and say: "Read them".

Mr. Whelan: That is about the size of what some of you people would do.

Mr. Peters: Protect us against that, Mr. Speaker, whatever it may be.

Mr. Gleave: I say again, and I say it to the hon. member across the way, that the amount of information as to the statistical basis of this plan which was given to the committee was insignificant. It was an insult to the farmers.

• (8:40 p.m.)

Mr. Whelan: But you benefited from it.

Mr. Gleave: The hon. member has to be kidding. It was a born loser, and I can only extend my sincere sympathy to these poor people. Except for the possibility of a payment at the end of the 1971-72 crop year it is virtually certain that no more payments will be called for during the remainder of 1970. Sometimes I wonder whether the stabilization plan was an afterthought, the government having decided that certain programs, such as the Temporary Wheat Reserves Act and PFAA, should be withdrawn. I also wonder whether the government thought that since farmers were going to get such a shock, the government would have to dream up something.

Ever since this legislation has been presented to this House we have been in the unfortunate position of trying to change, to repair, to adjust and to modify the plan which in its basic approach and principles is unworkable and unjustifiable. According to the farmers of Manitoba it follows that a plan that takes into account gross receipts only cannot and should not be called an income stabilization plan.

If I may get back to the amendment that is before the House, to most economists income is what is left after deduction of expenses. It is the difference between the gross return and the cost of producing what you have