

Prairie Grain Stabilization Act

proud of. I would hope the minister would have a little more sense of history than he has displayed up to now in consideration of this bill. We have had ministers from western Canada who in the view of many of us have not always represented the interests of the west. However, they stood by what they thought; they did not attempt to pull some of the tricks the minister is now prepared to engage in.

An hon. Member: Shame!

Mr. Deputy Speaker: Order, please. I would invite the hon. member for Regina East (Mr. Burton) to relate his remarks to the motion and the amendment before the House. With respect, I believe he is roaming considerably wider than the scope allowed him.

Mr. Burton: Mr. Speaker, I was attempting to cast my remarks within the framework of the present situation as I see it. I shall deal with the motion and the amendment as I see them within the context of the considerations which must be before members of this House. It seems to me that they go to the very core of the debate in which we are presently engaged.

The plan as presently constituted by the government is totally inadequate. It will be impossible to come up with a meaningful plan for the farmers of western Canada unless provision is made for taking into account increases in the costs of production, as my colleague the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) has pointed out. Farmers are faced year after year with increases in costs of production. For many years they have seen their gross grain sale proceeds come up to near the level of past years, but they have also seen increases in costs of production. They have seen the portion of their net income upon which they have to live, and from which they have to find their savings and capital for expansion and new investment, dwindle as a result of steadily rising costs.

I think it is important to note some of the factors involved in the proposal which has been placed before the House. First of all, in the motion moved by my colleague, the hon. member for Saskatoon-Biggar (Mr. Gleave), and the clarifying amendment moved by my colleague the hon. member for Skeena (Mr. Howard), they are trying to set out the principle that account must be taken of increases in the costs of production if, in fact, western farmers are to have a meaningful sort of plan.

I think it is important to note the differences which exist between the patterns of gross farm income and net farm income as they involves farmers in western Canada. I have some figures I should like to place before the House, which I feel illustrate the difference, the reason this matter is so important to farmers in western Canada and why our proposal is so important to the bill now before us. The minister has pointed out that the provisions of the bill are based upon aggregate grain sale proceeds for the six major grains produced in western Canada, wheat, oats, barley, rye, flaxseed and rapeseed. Taking figures which were immediately available to me, I totalled for the last five years the gross cash receipts from sales of these six grains in Canada as a whole. I recognize that some sales would have been made outside the prairie provinces, but I

believe it would be agreed that the greater portion would have been made within them.

The figures of the cash receipts from these six grains for the past five years are as follows: for 1966, \$1,281.1 million; for 1967, \$1,307.3 million; for 1968, \$1,191.7 million; for 1969, \$929.8 million; for 1970, \$1,013.2 million. I made a calculation in respect of these five figures; I attempted to find the relationship between the lowest of and the highest figures. I found the highest figure in these five years, in 1967, was 41 per cent higher than the lowest figure, which occurred in 1969.

• (8:50 p.m.)

Interestingly enough, I found when I looked at the farm income picture for the province of Saskatchewan alone, my own province, that there was a very close relation between the degree of variation between the lows and the highs of total gross farm income province and the sales figures for the six major grains right across Canada. Without quoting all the figures I might note that for the period 1966 to 1970, total farm cash income in the province of Saskatchewan varied from a low of \$619 million in 1970 to a high of \$976.2 million in 1967. I found, again, that the high figure in 1967 was 41 per cent higher than the low figure in 1970.

There has been a steady downward trend in gross cash income over the past several years, so that the minister will find, whatever way his present averages hold out, that given another year or two we will be dealing with a very low average figure. I think it is important to note this degree of variation in the gross cash income figures, namely, a variation of approximately 40 per cent over a five-year period when you compare the low figure with the high figure. I think it is important to compare these figures with the variation that exists when you consider farm net income.

The only figures I could use adequately in this sense were of total net farm income in the province of Saskatchewan. I think it has to be kept in mind, as hon. members will realize, that the difference between your cash income and your net income is your costs of production. I would like to note briefly the pattern of farm net income in Saskatchewan over the past five years. In 1966, farm net income in my province was \$583 million; in 1967 it was \$354.9 million; in 1968, \$462.3 million; in 1969, \$402.9 million and in 1970, \$195 million. Thus, we have a variation between a low of \$195 million in 1970 and a high of \$583 million in 1966. The figure of \$583 million is almost 300 per cent higher than the low figure of \$195 million in 1970. We see that while farm cash income, gross income, only varied by some 40 per cent, there was a variation of some 200 per cent when looking at net income figures.

Therefore, we see that we must look at more than the farm cash income picture if farmers are to have a plan that means anything at all to them. That is why many of us have been pressing this matter and have been debating it in the House of Commons. We feel that the present provisions do not provide the type of stability that is required in western agriculture. I think there will not be disagreement with the contention that there has been a high degree of instability throughout the history of prairie agriculture. We in this party, and I am sure members in all parties, have no disagreement with the proposition that