

Prairie Grain Stabilization Act

The second program to be eliminated when this legislation is implemented will be the Temporary Wheat Reserves Act program. That will be entirely lost to the farmers. At present that program covers, basically, the cost of storage. In the years 1968-69, of the \$101 million paid for storage, \$22.3 million was charged to the producer and \$79.7 million to the Treasury. This program will be eliminated altogether, and in that regard real difficulties will be created for the farmer, because in future the farmer will have to pay the whole shot for storage.

The government is planning basic changes with regard to general transportation and storage matters, the net result being that farmers will incur greater costs for transportation with the establishment of regional terminals across the wheat producing area. The program will not only mean that the farmer will pay increased costs for storing grain; he will also pay increased costs for transporting grain. Whereas in the past he may have had to haul grain five, 10 or 15 miles, he will, after this storage program has been introduced, need to haul his grain 20 miles, 30 miles, 50 miles or even farther. That will create greater difficulties and greater expense for the farmer than he experienced in the past. Thus, I am greatly concerned about that aspect of Bill C-244.

In looking at and considering the over-all problem that is before us, we must consider it against the reality of the depressed income position of prairie grain farmers. There is a need for adequate income protection for farmers as well as the stabilization, in the longer term, of their receipts. This bill stabilize their incomes at a minimal level which, at today's prices, I submit is below the cost of production. Farmers must be induced to produce food, at a locked-in price level and I submit that farm incomes ought to be stabilized at a higher level and not at starvation or minimum levels. That, to my way of thinking, shows another fault in this program, and I am concerned about it. If we were talking about an ordinary industry, let us say, of the sort that produces farm implements, clothing or shoes, the matter would be altogether different. You might argue that you do not need new tractors or new implements this year. But food must be produced. While we can take satisfaction in the fact that Canadian farmers can produce more food for more per capita than probably any other farmers in the world, the fact remains that food production is something that we must maintain not only for our own needs but also for world needs.

● (12:50 p.m.)

In recent years there has been a great deal of talk about what we should be doing with our surpluses. Mr. Speaker, we have an obligation to our own people, but it seems to me that in an ever-shrinking world we have an obligation that goes much further than that. It is not just a case of exporting know-how but of building up reserves that inevitably will be needed by hungry people, whether they live in Canada or elsewhere. It is my concern that we are looking at this from the view of the short-term approach.

[Mr. Thompson.]

We can go back to scripture, to a man who became a great agricultural expert in his day even though he himself was not a farmer. This was Joseph, who worked as prime minister for the Pharaohs of Egypt, who was wise enough to accumulate a great storage of grain in the good years in order that there might be sufficient food during the bad years. That story from biblical times in the Middle East is not too different from the pattern of things as they happened in the generations since then. In this regard, I have to agree with the Canadian Federation of Agriculture and its statement with respect to the vitally necessary payments to be made to prairie producers, special transitional payments of \$100 million. These are very important, but basically the long-term stabilization and storage policies contained in the bill are of questionable value and must be considered from the long-range rather than the short-range aspect.

I would like to say just a word in regard to world market conditions. The farmer himself has little ability to control, and little possibility of even predicting or anticipating what the world market situation will be. But what the Canadian farmer does face, as I mentioned earlier, is a competitive situation from a very heavily subsidized agricultural program in other food producing areas of the world, which places him at a very serious handicap.

I am not advocating that we should follow the American pattern, which is one of heavy subsidization by the federal treasury through various agricultural programs. But while saying that, and being convinced it is true, this does not mean that we can eliminate the responsibility we have toward the agricultural industry in Canada. The fact remains that the farmer himself cannot survive unassisted in the face of the subsidized competition that he meets from other countries. Therefore, while I agree with the principle of the bill, I think its provisions leave something to be desired.

Certainly the vicious and disastrous shrinking of income faced by the western grain producer is something that cannot continue. Again I refer to a comment made by the Canadian Federation of Agriculture:

We must insist that improved support of the level of farm income among prairie producers, and continuing, major support to prairie income from the federal government in face of present and prospective world conditions, is a necessity.

In this regard, Bill C-224 is designed to place definite limits on the federal obligation to support prairie income, even in the face of great chronic income inadequacy. Therefore, while agreeing with the principle, it seems to me the philosophy behind the bill is wrong if we desire to have a viable agricultural industry and to continue the production of food.

So, Mr. Speaker, I bring these points to the attention of the minister responsible, and to those of us who are vitally interested in agriculture, because it is in these areas that I see the basic problem of food production so far as agriculture is concerned.

Now, I wish to say just a word in closing with reference to the situation so far as farming units are concerned. Whether it be from the short-term approach in