

Adjournment Debate

I also want to indicate to the House that there were some other very important changes made to the Special Canadian Grains Program. We have included pulse crops so people who have diversified their production will not be penalized as they are in fact helping with the overproduction of wheat.

We have also included the honey producers in northeastern Saskatchewan, largely as a result of representations made by the Hon. Member for Mackenzie (Mr. Scowen) and other Members in northern Alberta who have honey producers in their constituencies.

Another major benefit was the recognition of summer fallow. That is particularly true in the south central portion of Saskatchewan, the area which I represent, where producers tend to summer fallow half and crop half of their cultivated land each year. The recognition of summer fallow will no longer encourage people to seed additional acres simply to trigger a payout under the Special Canadian Grains Program.

• (1815)

I would like to read into the record the necessity for continuing the Special Canadian Grains Program. If we examine the record of both initial and final prices paid in previous crop years, we see a tremendous shortfall in income for our producers. For example, I would like to quote from the 1983-84 crop year. In that year the initial price for No. 1 hard wheat was \$4.33 a bushel. The final payment that year, which was not received until January, 1985, was 73 cents a bushel. That payment, which totals \$5.06 a bushel, is considerably more than producers are getting today. That year under the Western Grain Stabilization payment there was also a payment of approximately \$5,500 to producers who had contributed the maximum.

If we follow the price along each year, we see that grain prices have declined considerably. In 1984-85 the initial price was \$4.27 a bushel. The final payment was 58 cents a bushel. That year we also triggered a pay-out of \$9,800 under the Western Grain Stabilization. That continued on until in the 1986-87 crop year, which is the crop year which ended July 31, 1987, when the initial price of wheat was \$3.22 a bushel. The final payment which was recently announced on No. 1 hard high protein wheat was 4 cents a bushel. This indicates that prices are starting to strengthen, but very little as yet.

In the last crop year the Western Grain Stabilization Fund paid out a record payment of approximately \$28,000 for a producer. Last year the Special Canadian Grains Program paid out approximately 40 cents a bushel to producers in my area of Saskatchewan.

In the 1987-88 crop year the initial price of wheat declined by 65 cents a bushel. In spite of the fact that we are making record pay-outs under the Western Grain Stabilization as well as the Special Canadian Grains Program, the Special Canadian Grains Program did not pick up the shortfall on the initial price drop.

The reason I am quoting these figures is that I wish the people of Canada generally, and particularly those people who may not be familiar with the plight of agriculture today, to realize how essential it is that we continue to make these pay-outs. In fact, under the Special Canadian Grains Program we may, as a result of shrinking dollars be forced to apply that subsidy only to that grain which goes into the international market-place. That idea has also been put forward.

I think it is safe to say that the consultation process does work when representations made by myself and other Members from western Canada to make changes in the Special Canadian Grains Program from year to year have been listened to. These changes have been made. I am very happy to report to my constituents that the input that I have made has been listened to.

I see you are signalling that my time is up, Madam Speaker. I will be pleased to hear from the Parliamentary Secretary.

Mr. J. M. Forrestall (Parliamentary Secretary to Minister of Regional Industrial Expansion and Minister of State for Science and Technology): Madam Speaker, on behalf of the Minister I want to briefly respond. I feel somewhat inadequate among those in this Chamber, particularly those distinguished Members from western Canada. The Hon. Member for Moose Jaw (Mr. Gottselig) stands out in our minds as not only a champion but as a Member of Parliament who thoroughly understands the difficulties faced by agriculture, particularly western grain growers. Indeed, the Hon. Member is very modest. In large measure the changes are as a result of the input that he has made.

As the Member has noted, both last year's program, and under the 1987 extension to that program, supplemental payments are being paid to irrigators. It is particularly with respect to irrigators that this House, and indeed western people owe some considerable depth of appreciation to the Hon. Member for Moose Jaw.

• (1820)

Irrigators have substantially higher yields than "dryland" producers and therefore experience greater revenue loss as the dollar value and prices decline. The point made by the distinguished Hon. Member is of course well recognized and one of some continuing concern to the Government.

Under last year's program only irrigators within provincially defined districts in Alberta and Saskatchewan were eligible for the supplementary payments. Because of the Hon. Member's intervention and that of others, it was decided to expand eligibility for the supplemental irrigation payment to all provincially licensed irrigators and to those irrigators on Prairie Farm Rehabilitation projects. The only exception would be backflood irrigators.

It is believed that this modification to the program will make it fairer and more adequately reflect the reality of the