

Supply

sold. A deficiency payment is the difference between what production costs and the price a commodity has to be sold for because agricultural producers are not price makers but price takers. Unlike the manufacturing industry or professional organizations, it has to take what it can get. A deficiency payment is the difference between the price they receive and their costs of production.

It is not just western grain. It has also happened to the corn and soya bean producers in Ontario and Quebec with the U.S. Farm Bill. A deficiency payment is required for agriculture right across Canada. We in western Canada agree with that wholeheartedly. The Government horses around with \$1 billion spread out among a host of commodities. That is a picayune pittance. It is not a deficiency payment. It does not come anywhere near meeting the agricultural producers costs of production. No other sector of our economy is more efficient than our agricultural industry. They have "efficiency-ed" themselves to death. What thanks did they get for it? They received lower and lower prices in the face of higher and higher costs. We have lost tens of thousands of agricultural producers over the last 25 years.

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The question is: How much for a deficiency payment? For \$2 a bushel No. 1 red spring wheat, and proportionate amounts for other types of grains and their different grades, the bill will be \$2 billion. To do something about other agricultural products such as corn and soya beans, for example, in Ontario and Quebec, as well as other commodities across the country, the bill will be another \$1 billion. That is what will be required if something sensible and meaningful is to be done within the principles of a deficiency payment.

If we took \$1 billion and spread it out among all the agricultural producers of all the commodities covered—then maybe our western grain farmers might receive a couple of hundred bucks—then we are back to the \$1 an acre up to 200 acres proposition that Mr. Diefenbaker sanctioned when he yelled around the country about how they want parity and not charity. What they got was charity every other year. They received two payments and then that was cancelled. It looks as if we are in for the same damn thing again. The question is for whom? If it is to be for all producers, then it has to be a sufficient amount of money.

From where will we obtain the money? Some two months ago my leader proposed that if the Government were to immediately assess some taxes for all those who do not pay any income taxes back to last April 1 for the current fiscal year and that if the Government did something about the loopholes in the corporation tax system retroactive to April 1, it could collect the \$3 billion needed for a deficiency payment.

I have another solution which I have suggested to the House before. There is something in the order of \$38 billion—with a capital "B" as in "Benjamin"—on the books of Canada in deferred corporation taxes. If those who owe these taxes were charged the bank rate of something over 8 per cent interest,

then there is the \$3 billion which is needed. These are taxes which will probably never be paid and which have accrued since the early 1950s. This is a tax deferral which is perfectly legal for corporations.

I can name three corporations right now which, in total, have in the order of \$5 billion to \$6 billion worth of deferred corporation taxes. They are Bell Telephone Company, Inco and Canadian Pacific Limited. They owe in excess of \$1.5 billion each. If they were charged a modest interest rate—a rate no farmer would receive—we would have our \$3 billion. I hope the Government smartens up in terms of that deal. If it does, it will have the full support of all Members of the House.

I now wish to turn to the matter of free trade, freer trade or free trade arrangement—the name has changed periodically over the past year. I mentioned at the outset of my remarks something about the constitutional road-blocks which face us as a result of the United States' system. In terms of road-blocks, not only is there the President and his administration, there is also the International Trade Commission. My colleague, the Hon. Member for Humboldt—Lake Centre (Mr. Althouse), has raised questions repeatedly about this subject. There are also the constitutional rights of the U.S. Congress, the Senate and the individual states.

Over the last 10 years we have had countervail duties imposed—or borders closed completely—on saltfish, fresh fish, hogs, cattle, live and butchered, shakes and shingles, lumber, steel, and even raspberries. I did not know that we even exported raspberries. However, we now know that the provinces of Quebec, Ontario and British Columbia export a great many raspberries. It is about time we gave the United States the raspberry. Not only did that country enter into an international wheat agreement, an international grain arrangement, it also entered into a fisheries treaty. It was ratified by the Government of Canada, signed by the President of the United States and rejected by the Senate of the United States. From then on it was downhill for us in terms of the Atlantic fishery. The United States also entered into the SALT II arms treaty. After years of negotiation it was agreed to, ratified by the Soviet Union, signed by the President of the United States and turned down by the U.S. Senate. How many times do we have to learn our lesson?

The other delusion, illusion—the dreaming in technicolor that the Government does—is this. If it thinks that U.S. producers and manufacturers in a wide variety of commodities are about to hold still for Canada, or any other country, increasing in any significant way their share of a particular commodity market in the United States, then they are dreaming in technicolor. The U.S. Congress will not allow it. It never has and it is not about to start.

I listened to cattlemen talk with visions of grandeur about how free trade measures would increase our cattle market in the U.S. Three times in the sixties and early seventies, when the Americans saw that we were sending more than 400,000 head or other volumes down to their country, they closed the border. The hog raisers and that carpet-bagger Pocklington,