

order which took so much time. Of course, the House is as unpredictable as the weather for the farmers.

The current dry conditions do indeed constitute a serious situation for some producers, and the government well recognizes that fact. We recognize that the producers most affected by the combined effects of a dry fall last year, a winter with little snowfall and this dry, hot spring, are the livestock producers of Manitoba and Saskatchewan. Our programs address immediate problems being encountered by this group. The main problems are a lack of feed for the livestock, such as reserves of hay in the two provinces, an almost complete lack of pasture growth for grazing livestock in some areas, and some problems with water supplies.

I believe that these programs, which will be cost-shared on a 50-50 basis with the provinces of Manitoba and Saskatchewan, will solve some of these problems. The federal government's share will be \$7 million.

Let me detail the programs, Madam Speaker. First of all, a cost-sharing program with the provinces of Manitoba and Saskatchewan for feed assistance and livestock transport has been instituted. In most cases, feed will be transported to dry areas to maintain livestock. In other cases, it might be more appropriate to move livestock from these dry areas to other regions in which feed and forage is available in ample quantity. The program recognizes both of these aspects of assistance.

While the program as a whole will concentrate on these transportation and feed assistance concerns, some money will also be directed to the development of water supplies where emergency conditions have developed.

The transportation and feed assistance programs are centred in Manitoba and Saskatchewan, but part of the over-all program provides for the allocation of \$1 million for similar activities in northwestern Ontario and the interior of British Columbia. Drought is also affecting these areas. Also, there will be \$1 million for similar programs for the native people on Indian reserves.

Let me say that these measures have developed through the combined efforts of both federal and provincial officials. The federal task force on drought, which I ordered to be formed during the dry conditions in 1977, was instrumental in presenting me with specific recommendations on how best to handle current drought conditions. We activated this group and asked the provincial governments to participate in early May.

While livestock producers are suffering the most, cereal producers are also waiting for rain. But with some exceptions in some areas of the prairies, the cereal group could still provide reasonable yields with rain in the next short while.

So far as cereal producers are concerned, there exists already government mechanisms to assure them of their livelihood should the summer continue hot and dry. They are protected under our crop insurance plan or under the terms of the Western Grain Stabilization Act. About 80,000 farmers have purchased \$1.5 billion in crop insurance protection this year. The federal government shares equally the \$146 million in premium costs with participating producers. It is a 50-50

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cost-sharing program and the provinces administer these programs. The stabilization act also provides income protection should poor crop yields result in reduced cash flow. About 124,000 grain producers are enrolled in that program.

Let me say that the government views the measures I have just detailed as being short-term in effect. No one can provide the rain that is really needed. But federal and provincial officials are continuing carefully to monitor the entire moisture situation in western Canada, and they will be making recommendations to us as the summer progresses. We do not consider the program I have just announced as being the total program. If conditions were to change, we will have to reconsider it, and that is what I mean by saying that we will be watching the situation carefully so as to assess the needs of these people. That is as briefly as I can put it.

I want to acknowledge also the co-operation of my colleagues, the Minister of Indian Affairs and Northern Development (Mr. Munro), the Minister of Regional Economic Expansion (Mr. De Bané), the Minister of Finance (Mr. MacEachen), and other colleagues in the cabinet, as well as the co-operation we had from the provincial governments concerned.

Mr. Jack Murta (Lisgar): Mr. Speaker, I should like to reply briefly to the minister's statement this morning. I think it would be safe to say that we on this side of the House would view the scope of the minister's statement as being too narrow in its parameters. The statement itself is not detailed enough. We hope that during the question period which will follow we will be able to receive from the minister more details of this matter.

The minister has dealt with two very important issues: one is feed assistance and the other is livestock transportation. But there are many other areas which are of grave concern in western Canada; for example, the problems of small communities which have already faced water rationing, a subject which has not been addressed by the minister at all.

There is one other point I should like to make at this time. In terms of the situation in the prairies, the minister is correct in the case of Manitoba and Saskatchewan. The situation is extremely serious in those two provinces. Coming from the province of Manitoba, I suppose I can speak with some authority. They are probably experiencing the worst crop year since the depression. The hay crop is just non-existent.

● (1240)

I suppose we would have to call into question whether or not \$14 million will be enough. The minister indicated that there may be more money coming. It is something we will pursue with him when we get into a question and answer session. The germination of the seed is very, very poor in Manitoba, and unfortunately there is no relief in sight.

Last night I mentioned in the Standing Committee on Agriculture that at the present time farmers are starting to plough up the crops and to apply for crop insurance. For example, the temperature on Wednesday was plus 36 degrees