

The Western Grain Stabilization plan was introduced in 1976. At that time the New Democratic Party, from their speeches I have looked at, warned that there were several factors which would not allow the plan to meet farmers' expectations, mainly because the formula was based on market price rather than cost of production. It included the entire Prairie area. It also used the calendar year rather than the crop year, and it ignored the greater grain volumes on gross incomes. The plan failed to make a pay-out when needed. That is basically the bottom line.

Many farmers in my area were quite enthusiastic about the Western Grain Stabilization Plan when it was first introduced. As the Minister of the day said, it would be designed so that if there were a bad crop year, payments would be made in the spring to assist farmers with spring operations, seeding and the associated higher costs at that time of the year. For almost five years there have been no pay-outs made under the Act, even when large numbers of farmers have been in dire straits.

Economic conditions are not looking that good for Western farmers. This is the same for people right across Canada, but I am more familiar with the situation of grain farmers in areas like The Battlefords-Meadow Lake. Part of the reason is that the cost of grain production has gone up dramatically. Just take a look at fuel costs, interest rates, machinery prices, fertilizer costs and chemical costs, Mr. Speaker. Then there is the cost of harvesting. All of these costs have gone up astronomically over the past number of years, while at the same time the average price of all grains over the past few years has gone down continually. On many occasions farmers are caught in a situation where they do not get back even their cost of production because of the economics of grain farming. That does not take into account the possibility of not having rain at the proper time, a too early frost, or too wet a spring. These are the difficult situations faced by grain farmers.

Because many places have been producing more, many parts of the Prairies have felt that the Western Grain Stabilization fund should have triggered a pay-out. Their net income has not increased; in fact it is dropping. But because of increased production,—more sales I suppose is a more accurate way of putting it—a payment under this program has not been triggered and that is unfortunate, Mr. Speaker. Farmers are being penalized under this program for their efficiency in growing greater volumes of grain. They see their work is not being rewarded because they do not get the economic return they deserve.

In the four or five years during which there has been no payment from the fund, the fund has continued to increase. Every farmer that is registered, and that is about 75 per cent of the grain producers in western Canada, pays a percentage of all grain sales into the fund. That payment used to be, I believe, 2 per cent. For the last year it has been 1.5 per cent. For every dollar generated by this checkoff the Government has a responsibility under the present Western Grain Stabilization Act of putting \$2 of public revenue into the fund. Farmers have contributed a little over \$300 million. This means the Government has put in over \$600 million, and there

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is now a net amount in the fund of between \$900 million and \$1 billion. That is a lot of money, Mr. Speaker. Farmers have a hard time understanding, now that they are in bad economic straits, why they cannot get money out of the program.

We are very happy in the New Democratic Party to see this Bill in the House to change the Western Grain Stabilization Act. We think the Bill has some pitfalls. We feel there should be some further action taken now that the Bill is before the House. Our intention is to see the Bill move rapidly into committee where we can make amendments in addition to those which the Government has already indicated it is willing to accept to change the Bill. I believe there is one further amendment which the Minister spoke of when he introduced the Bill this morning.

Farmers do not just need the money now; they needed that money a couple of months ago. Opposition members pushed the Government very hard to bring in the Bill. I do not know whether the Bill was not drafted, or whether there was not enough room on the Order Paper, but farmers needed that money before, not sometime in the future.

Mr. Pepin: Everything is either too early or too late. It is never right.

Mr. Anguish: Nevertheless we are happy to see the Bill in the House now. We want to see an immediate payment go out to the western Canadian grain farmers. There are some amendments we feel should be made to this Bill. I hope they will receive the support of the Official Opposition as well as the support of the Government. First, we would like to see payments retroactive to 1983. Second, we would like to see an interim pay-out for the 1983 crop year. I think the Minister said in his introduction this morning that the Government had in mind an amendment for the 1983-84 year. I hope that comes to pass. Third, we would like to see some recognition of the regional discrepancies within the Western Grain Stabilization plan. We have been calling for recognition of crop discrepancies as well as regional discrepancies. Finally, there should be some recognition of the net incomes of farmers in the pay-out under the Western Grain Stabilization Program. We feel, as we felt back in 1976 when the plan was introduced, that there should be a tie-in with the cost of production. There should be recognition of the fact that the cost of production is a major factor in any stabilization program. Also we are recommending that there be immediate pay-out guarantees.

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Hopefully we will get the Bill through the House today and into committee, and hopefully there will be some debate in good faith on the amendments to which we would like to obtain the agreement of the Government and the Official Opposition. If we cannot accomplish that, so be it. I think we have put forth the true feelings of grain farmers in western Canada. If the other Parties will not go for it, at least we in the NDP know that we have made adequate representations on behalf of western grain farmers.