

Government Orders

We seem to be doing everything unilaterally, hurting farmers and destroying our negotiating position with the Americans in the trade negotiations which will come up over the next few years.

I spoke earlier about the benefits of this program in terms of not having all your marketing take place at harvest time and spreading it out, having orderly marketing over a period of time. I was interested in what the Ontario Corn Producers have indicated as the cost benefits of the program in terms of the price of corn. What they have done is they have calculated the price of corn during the harvest season, October and November, and then compared it with the selling price of corn in the winter, spring and summer months.

It is very interesting to note that the cost benefit in one year, 1987-88 which is the last year for which they have marketing figures in terms of what it cost the government to run the Advance Payments Program and the benefit to the corn producers is something like 15 to 1. That is not bad. Even the parliamentary secretary, who is one of the great white bean growers and knows how to calculate how to make profits, would have to admit that a 15 to 1 cost benefit ratio is very good.

If you calculate what the interest on the advance payment program cost the government for the last year for which we have figures, 1987-88, you see it was \$1.1 million. The increase in price during the winter, spring and summer months compared to what it was if everybody had marketed in October and November was \$16 million, 15 times as much.

Surely even the Tories can calculate that that is good for the industry. It stabilizes it. You do not have massively low prices in October and November, and you do not have massively high prices in the spring because everybody marketed in the fall. If we look at just that one commodity, which is a big important group, although certainly not the whole of the Canadian agriculture scene, you see the tremendous benefits of this.

If you look across the range of commodities, whether you are talking about fruits and vegetables in B.C., Ontario, Quebec, or Atlantic Canada, or if you talk about soybeans, or about the prairie grain, you get a stability in the industry that is very desirable. If you maintain the price as well, it is certainly desirable.

I am suggesting to the government that it really should withdraw, withdraw, withdraw Bill C-36. It is wrong for a country. It is wrong for farm pricing. It is wrong for Canadian farmers, and wrong for agriculture.

I would like to move an amendment to the motion before us today, seconded by the hon. member for Lambton—Middlesex:

That Bill C-36, an Act to amend the Advance Payments for Crops Act and the Prairie Grain Advance Payments Act be not now read a second time but that it be read a second time this day six months hence.

Mr. Hovdebo: Madam Speaker, I noticed the statistics show that 3,644 farmers in Ontario took advantage of the advance payments in 1987-88, and a large portion of those were soybean growers, tobacco growers and corn producers.

I would like to ask the hon. member what portion of these farmers who took advantage of it in 1987-88 he thinks would still find it a worth-while procedure, a worth-while program under the new bill? That is question number one.

I have a second question which is very close to it. The new bill allows \$250,000 instead of the regular level of borrowing that was allowed. I wonder also how many of those 3,644 farmers who took advantage of this would have any reason to use more than the present level of expenditure.

Mr. Foster: Madam Speaker, I appreciate the hon. member's question. He is a person who has taken tremendous interest in agriculture issues. He has worked widely on agriculture issues in the agriculture committee of the House of Commons.

I would suspect that the answer to his inquiry concerning tobacco growers, soybean growers and corn growers would be typical of the estimate that has been made by the board of Directors of the Ontario Corn Producers Association. They estimate that as low as 50 farmers, out of the 1,200 who have been using the program in the past, might use it in the future. I am not sure of the percentage, but you are getting down to something less than 5 per cent of the people who would use it in the future as it is reconstituted with the farmer paying the interest.

• (1640)

What the government is doing with this bill is destroying the program. They can huff and puff and talk about farmers having to bear the brunt of their cost-cutting exercise and all the rest of it, but if you think that the Ontario Corn Producers are going to run a program like