

Dairy Policy

which benefits from an unfair subsidy—it would be wrong to say these have been completely eliminated.

Let hon. members not forget that ever since the Dairy Commission was established in 1967 it has not been possible to import a pound of butter. To try to say there has been no control over imports is wrong. Butter could not be imported into this country without a permit from the Department of Industry, Trade and Commerce which, in turn, had to be recommended by the Canadian Dairy Commission, the body which imported the butter and distributed it on the market to those who wanted it. And the Commission distributed it at the going price for domestic butter. Any profits which were made could be put toward the cost of administration of the Dairy Commission.

This was a fair arrangement, an arrangement which would not disrupt the economics of that part of the industry. But our production went down, and in two years we had to import 110 million pounds of butter. In the last dairy consumption year we had to import 50 million pounds of butter. Was it wrong to do that? No, because we had to make sure that consumers who wanted to buy that product would still be in the market when we ourselves were producing enough to meet the demand.

Part of the problem in this country arises because in some areas the consumption of fluid milk has gone down. Some people say it has gone down because milk is too expensive for consumers to buy. Mr. Speaker, there has never been a time in our history when the productive people in our society have been in a better position to buy more milk or other dairy products for an hour's pay, and any politician who says anything different is doing an injustice to the dairy industry of this country.

The long term dairy policy we have adopted indexes producer costs returns for changes in input costs and labour costs. If they go up over 4 per cent in one quarter you are entitled to an increase. The dairy farmers of Canada have agreed to that. This is a tougher program—the program they agreed to last year is a tougher program than anything the Anti-Inflation Board is doing to labour or industry at the present time. All the dairy farmers want is a decent return for their efforts. They do not want to rip off the public, and under this program there is no rip-off, regardless of what the former chairman of the Food Prices Review Board or anyone else has said. If critics argue otherwise, let them prove it. The National Farm Products Council has not yet brought down a verdict, but as far as I am concerned, from reading the evidence put forward by the Canadian Consumers Association, there is no evidence whatever that the formula used to set egg prices in Canada was wrong. If they want to demonstrate that this view is not the correct one, let them produce real evidence. They have not done so yet.

The motion before us today says also that the government has given no consideration to the establishment of a broad marketing and distribution program for dairy products and by-products through proper legislation so as to enable production to truly meet the interests and needs of consumers. I have already touched on that aspect and pointed out that we have one of the finest distribution systems in the world. We enjoy some of the cheapest food in the world, and we have too much of it. Recently in the U.S.S.R. they fired their Minister of Agriculture. Why?

[Mr. Whelan.]

Because they did not have enough food. Here in Canada one finds some of the editorial writers in this country suggesting I should be fired because we have too much food. Mr. Speaker, if I were in Russia they would give me a medal for producing commodities in the very efficient manner in which they are produced here.

● (1600)

I suppose the hon. member over there who is making a little noise at the present time—and most of his contributions never amount to any more than a little bit of noise—will be telling us how the dairy farmers of Canada and the Canadian Dairy Commission and other bodies should be giving away this product, something he has never suggested anybody else in society should do except the food producers. I notice he is always careful not to say that of the fishermen of Newfoundland.

Mr. Baker (Grenville-Carleton): On a point of order, Mr. Speaker, unfortunately there was a fair amount of time lost in the early part of the day on the motion advanced by the President of the Privy Council, and I think this subject matter is certainly worth giving this time to the opposition. Therefore I move, seconded by the hon. member for Elgin (Mr. Wise):

That the sittings of this House be continued this day to six o'clock for the purpose of the consideration of the opposition motion which deplores the action, or lack of action, on the part of the government with respect to the dairy industry and which is now before the House.

The Acting Speaker (Mr. Béchard): All those who object to the motion please rise. No member having risen to object, the motion has been adopted.

Motion agreed to.

Mr. Whelan: Mr. Speaker, members who have already spoken in the debate have never mentioned very much about the actual income of the dairy farmers. I thought they would have accused me of paying dairy farmers too much, or have been more charitable and say that if there was anything this minister did wrong it was that he made the dairy farmers and industrial milk producers the best paid industrial milk producers in the world. I am a little taken aback that they have not done this, but I see some other members are going to speak so possibly they will say that. People have been saying what the Food Prices Review Board has said, that my problem is that I have treated the dairy farmers of Canada too well. I do not think I have. But I have tried to be fair with them.

The policy we have, as I said, indexes the producers' returns for changes in their input costs. It also indexes and takes into consideration global conditions. A lot of people do not understand that this is one of the things to which the dairy farmers agreed. The dairy farmers of Canada subsidize and take care of their own exports in the world. To suggest that what CIDA buys is cheaper is not true. CIDA paid the going world price for skim milk powder and they sent it to those countries in dire need today.

The dairy farmers of Canada through their over-all organization, asked that we buy this year 100 million pounds of skim milk powder for food aid. However, it is a very difficult thing to try and force commodities on anyone. We have offered assistance through church groups, through all our trading offices, embassies, etc., to every world food aid program we know of. But countries in need