

*Supply—Agriculture*

of Ottawa are buying a great many more broilers than steaks or roasts of beef. I do not think this market in the United States is a normal market; it is not a market that can be considered as permanent. Eventually when these Texas grazing lands return to production we are going to have to return to our previous methods of selling beef.

In so far as pork is concerned, I might say that 30 per cent of the pork industry in Ontario is under vertical integration. This is an industry that can be easily extended, because it does not take as long to raise pork as it does to raise beef. These big companies that have gone into the broiler industry have done so because the buildings will remain and they do not have to be operated in any one year. It is very easy for these big companies to get into the broiler industry on a three-month basis and then get out of it. With these companies controlling this segment of the farmers' economy, it behooves all farmers to take a very close look at what is happening in that field.

I would suggest that the way in which the minister could deal with this condition is not by legislating against vertical integration but by making credit available to the rural population in the way it was available to them before the Liberal government put their tight money policy into operation. This tight money policy is still in effect in so far as agriculture is concerned.

In my particular area a farmer has almost no opportunity to get any money. If he applies to the farm loan board he is told that the board is not able to make loans in northern Ontario because of land values. They value the land in northern Ontario at as low as \$25 an acre. Anyone who has been connected with agriculture in northern Ontario knows that it costs at least \$50 an acre to clear this land, so when the board make this type of valuation they are being completely unrealistic. The truth of this statement is even more evident when you consider that the price of a 160-acre farm is around \$20,000 or \$30,000 in that particular area. The land upon which loans are sought is probably not of this high calibre, but it certainly is in a much higher price class than \$25 per acre. The farmers find that they are unable to borrow from mortgage companies or from banks. Unfortunately there is only one way in which a farmer can get enough money to carry on his farm. He leaves the farm and goes into the labour field, leaving his wife and children at home to run the farm.

This method of operation contributes to the creation of surplus agricultural products, because if the husband gets enough money through his labour to pay the expenses then

the products produced as a result of the work of the family are really surplus products. This in turn makes it much more difficult for the full time farmer to dispose of his products at reasonable prices.

I had hoped that the agriculture committee would give some consideration to the whole matter of short term as well as long term credit. I suggest to the minister that in my experience the short term credit the farmer uses to operate his business from month to month is causing much more difficulty in rural Ontario than the matter of long term loans. That is because farmers looking at the markets they have today, understanding the problems they have, the rising costs of production and a falling market, will not be stupid enough to borrow money on a 30-year basis at a fairly high rate of interest. What they want to do is operate the farms they have today so they can make a decent living, while hoping that in the near future the government will make some change to allow them to plan on a long term basis.

**Mr. Horner (Jasper-Edson):** Mr. Chairman, I feel very strongly with regard to the question of agriculture. Yesterday the hon. member who has just sat down made some remarks about the western members who had been home over the Easter recess and had had an opportunity to talk to some of their farmer constituents. Well, Mr. Chairman, I did that. I attended several meetings and talked to all the farmers I could get hold of, and I can stand up here and say that 95 per cent of the farmers in my area to whom I talked in the meetings I went to were in full support of the government's program and were not in favour of the deficiency payments as outlined by the Saskatchewan wheat pool. I will have more to say about that in a moment.

Before we take a look at agriculture in the west to see what we can do to help it, we should take a good look at what the situation is and go on from there. The problem as we all know it—

**Mr. Peters:** Would the hon. member permit a question?

**Mr. Horner (Jasper-Edson):** If you will wait until I get through, sir.

**Mr. Argue:** That is not the way you behaved when we spoke.

**Mr. Peters:** What about the delegation?

**Mr. Horner (Jasper-Edson):** I will come to that. The problem, it seems to me, is one of maintaining income and increasing the share of all western farmers. I should say of all farmers; I do not want to segregate one from the other. The other problem which