

**Mr. McCain:** Mr. Chairman, is that a sign of progressive agricultural policies being followed by the government to your right? I submit that these figures condemn the government and its policies.

**Some hon. Members:** Hear, hear!

**Mr. McCain:** On looking at cost figures to be found in the same document one will find the cost of agricultural production has virtually doubled in that same period. The investment the farmer needs to make, if he is to make a living, has doubled. At the same time, the return on investment has remained static. So you might say, Mr. Chairman, that the Department of Agriculture and its policies under Liberal management has been such that the farmer is investing twice as much to reap half as much, because certainly our dollars today are not worth half as much as those of 1946-1950.

• (2050)

It may be all right for the minister to say that the introduction of dairy quotas was one of the most admirable things to happen in Canada. But it will be difficult to convince all of Canada that this is the case. What has been happening in the last ten days with respect to butter? The present policy is that the government buys butter from the creamery producers at 68 cents a pound en bloc. This is a policy which permits the creamery packers, by some means which I cannot describe, to pack butter in prints, transport it to a wholesaler, return it to a store, a total trip of 1,100 miles, and put the printed butter in the store at 70 cents per pound. I have seen the invoices; this is not hearsay. It is a peculiar situation. The Minister of Agriculture may profess a serious interest in dairy quotas and dairy management, but this is certainly a phase in which management is totally lacking. It is allowed to run by itself.

One area of Canada is hurting the other, and hurting it badly, in this situation. It is time we had national policies and national administration on a basis which would put the industry of dairy production on a footing of equal opportunity. This is not the way things are at the present time.

There is certainly some change apparent in the position the minister has taken today. For years, through the Horticultural Council, eastern agriculture and the fruit and vegetable industry in general have been asking for a "living allowance", so to speak, from their crop production. This has been ignored. We have been told by every individual we have dealt with that it is difficult, if not impossible, to obtain duty concessions. It is difficult to impose duties on products coming in, because we are a partner in GATT. It is all right for the minister to say he will not allow certain food products to enter Canada. He is still restricted by law and I presume he must operate within the limits of that law. He will be obliged to prove to agriculture in Canada that he is sincere and that his attitude is not just one of bluff and bluster.

The hon. gentleman who preceded the minister in office told representatives of the fresh fruit and vegetable industry that Canada and Canadians were entitled to the cheapest food they could get, and that if agriculture in Canada could not compete with outside sources of food it

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was the responsibility of agriculture to switch its crops and mend its ways because Canada could not protect it. This is a policy which never was acceptable to the agricultural world. It is not acceptable because not only does the farmer feel he is entitled to a fair living, but because he is absolutely convinced, as are most economists, that if Canada does not produce its own food it will in the long run pay through the nose for imported food.

I have heard nothing in this House tonight to lead me to believe it is the intention of the government to lay on a policy whereby Canada can produce the food which it can best produce and from which it should expect to make a decent living. I cannot believe that a government which is so concerned about the price of food to consumers can support the Minister of Agriculture as he tries to get an acceptable price for agriculture so that we can return to the earnings position which we experienced relative to the economy of 25 years ago. This must be the objective of the Minister of Agriculture, to bring farmers back to the point at which they will be at least as well off as they were 25 years ago. As of 1970 they were not.

My mind was boggled by the hundreds of millions of dollars which the hon. gentleman in charge of the Wheat Board was prepared to spend on agriculture. I want to make one thing very clear: if the expenditure of this money is necessary to a healthy agricultural industry and a healthy economy in western Canada, then by all means let it be spent. But I am reminded of an occasion on which I approached the Minister of Agriculture as part of a delegation on behalf of the potato industry. The sum required to more or less stabilize the whole national potato economy would probably have been substantially less than a million dollars. But we were told that the situation was impossible and that no such assistance could be provided, and it was not provided. In consequence the national potato industry, in respect of the 1971 crop, suffered a very severe setback.

The consequences of the inattention of the Department of Agriculture are not always felt immediately, however. Sometimes one has to take the long view. As has been pointed out already in this House, the dumping of wheat on the world market in a premature fashion during the past 2½ years has reduced the potential profit for wheat farmers in the present crop season.

In a similar way, the refusal of the Minister of Agriculture to attend to the 1971 crop in proper time, so that there might have been some profit from it, has caused a reduction in the crop which has denied the potato industry an opportunity to take advantage of world markets and make the profit it might otherwise have made. I am not quarrelling about the price of potatoes in 1972. The price for that crop year is excellent. But as far as the Atlantic area is concerned—I am sure the Minister of Veterans Affairs will confirm my statement—this more acceptable price follows a period in which there was a capital decline for six consecutive years in the potato industry in the Atlantic area. It was in these circumstances we made the approach we did in 1971, asking for the assistance we were later denied. We were told that Canadians should have the cheapest food they could get; the government could not upset a situation in which consumers benefited.