

*Canadian Egg Marketing Agency*

ter of Agriculture. We already have a report from the Farm Products Marketing Council. In any case where in its opinion the circumstances warrant, it should report on a more frequent basis.

Clearly, the council has been negligent in its duties and responsibilities under this section of the act, and the minister has been negligent in not ensuring that the council carry out the reporting of this whole affair as required under the act. The council should make such inquiries and take such action within its powers as it deems appropriate in relation to any complaints received by it from any person who is directly affected by the operations of CEMA and which relate to the operations of CEMA.

The act describes remedial action to be taken by the council in respect of CEMA operations. If the governor in council or the Minister of Agriculture so direct, the council shall hold a public hearing into any matter relating to its objectives, that is, any matter arising out of its review of CEMA's operations, to ensure that those operations are carried on to promote a strong, efficient and competitive production and marketing egg industry.

● (1530)

There was no direction. There was no inquiry. There were no public hearings. As a matter of fact, the minister, apart from those occasions on which they were prodded into action, was strangely quiet throughout this whole rotten egg affair. The minister can no longer maintain silence, because the moment of truth has arrived. We intend to endeavour to establish that the minister and the Farm Products Marketing Council failed to carry out the provisions of the act. Had they done so, they might have avoided the need to hold the inquiry that is now proposed. But I suppose this would have been too much to expect from the present minister, who has earned the reputation of being the wailing wallah of the cabinet, and it would have been too much to expect of the Farm Products Marketing Council. All one has to do is look at the make-up of the council. The message comes through loud and clear. At least five of the six members are former Liberal politicians.

The evidence is clear that CEMA knew there would be a surplus of eggs in Canada as early as last January. I hope to establish this before the committee. The first general manager of CEMA is reported in the *Toronto Star* of September 25 last as saying:

The agency realized early last winter that by setting a guaranteed high price for producers they were risking the temptation in human nature to overproduce.

Another agency spokesman, James Fisher, according to the same article, insisted that the agency knew where the eggs were and knew exactly how many eggs were in storage at any given time. Thus, on its own admission, the agency knew there was a surplus, and then tried to cover it up. I hope the elements in the cover-up will come out in the course of the committee's hearings. In order to get this whole sordid affair into perspective it is necessary that we go back to the very beginning. On January 9 of this year, the Food Prices Review Board released its first report on eggs, in which it concluded as follows:

The prices of eggs in Canada have risen more rapidly in the last 12 months than those of any other group.

[Mr. McGrath.]

The Board went on to recommend that the prices of table eggs in Canada be lowered immediately. It went recommended further:

(2) That the present system of price stabilization should be altered.

(3) That egg marketing boards should be accountable to the public.

In this connection I would refer Your Honour and the House to the report by Professor Forbes which the government tried to suppress but which I released in this chamber some time ago.

(4) That the federal government should initiate an over-all review of the egg marketing process in Canada.

This was the first time the board had expressed itself in a clear, definite and positive manner. On January 10, the following day, I asked the then minister of consumer and corporate affairs what was being done about the recommendations in that report. In reply, the minister stated: "The government is looking at this matter on an urgent basis." It is interesting to note that the minister who gave that answer in the House is now a private member. I suggest he is a sacrificial lamb chosen to protect the Minister of Agriculture.

Again, on March 1, I asked a question about this report. The Minister of Agriculture told us he had asked the Farm Products Marketing Council to make a thorough study of the recommendations contained in the report of the Food Prices Review Board. Well, Mr. Speaker, I remember remarking at the time that in my view this smacked of conflict of interest. To ask the Farm Products Marketing Council, which has responsibility for CEMA, to inquire into the actions of its own creation is like asking Henry Ford to conduct an inquiry into the price of automobiles.

On May 2, the then minister of consumer affairs told the House he had been advised by the Minister of Agriculture that the report of the council was "expected very shortly". Well, the dissolution of parliament followed. On October 1, the Minister of Agriculture, in reply to a question I put to him, stated that the report of the council had been ready for several months. We knew that. We knew the report had been in the minister's hands since early in May. Then the minister told us it would be presented shortly. A few days ago, I rose under the provisions of Standing Order 43 to urge the minister to produce the report of the council so that hon. members might have a little time before today's debate, and also to prepare ourselves to undertake our responsibilities in connection with the committee hearings which are now proposed. Of course, this motion, like all motions under Standing Order 43, was denied the required unanimous consent.

What happened today? One hour before the debate was due to take place, the minister tabled the report which had been promised for so long. I see it has been mimeographed, hastily prepared. It is undated. It has probably been expurgated by the minister himself. I suggest it has been tabled without regard for the responsibility of members to prepare for the debate in which we are now engaged. How can we be expected to examine a report of this nature in one hour? Even on the basis of a quick glance at its contents one gets the impression that it is an attempt to whitewash CEMA. This is obvious, because it was prepared prior to the disclosure of the rotten eggs scandal, prior to the first disclosure in the *Globe and Mail* that nine