

*Farm Products Marketing Agencies Bill*

I do not intend to deal with the matter extensively, but I feel that the issue contained in this amendment is of great concern to many agricultural producers in the province of British Columbia. At the B.C. Federation of Agriculture's thirty-eighth annual conference, the president, Mr. R. A. Blair, put the blame on "low-priced imports and international trade that does not take place on a fair and equitable basis". He said:

Tree fruits suffered another year of low prices, potato growers didn't even recover costs of production—

From correspondence I have received from potato growers in my constituency, I know that this has been a bad year for them. He went on to say:

• (5:50 a.m.)

—strawberry growers were forced to take a big price cut and poultry groups found their income levels being eroded away.

President Blair then said that his fellow farmers favour international trade and understand that trade is a two-way street. The next part of his report says:

What we cannot understand, and cannot accept, is that the mechanism of trade should be 'greased' with agricultural products.

We are tired of being told that agricultural products from Mexico must be given unencumbered entry into Canada or Mexicans won't buy our wood products . . . that we must continue to accept agricultural products from countries which erect artificial barriers against ours . . . and that we cannot impose a surtax of US fire-sale priced goods because they might retaliate against us.

According to my knowledge of the agricultural situation in British Columbia, that is a fair statement of a position which has been worsening increasingly for many years. It has been recounted in this House on more than one occasion that at one time there was a viable canning industry on the lower mainland of the province. It was purchased by American interests and phased out, and now American canned goods are coming in bearing the label of genuine and well known Canadian brands. The labels are put on after the cans reach Canada, yet the small print says, "Produce of the USA". This has been repeated in other parts of Canada. I was told, on visiting the Niagara peninsula, that the same kind of thing has happened there.

This amendment has raised an important and vital point that we must consider when considering the future welfare of the farm producers of Canada and the establishment of a viable, equitable and orderly marketing system across this country. I took those few minutes, Mr. Speaker, to enjoy celebrating what will be, hopefully, a happy New Year.

**Mr. H. W. Danforth (Kent-Essex):** Mr. Speaker, I will not speak for long. I want to put two facts on the record in speaking in support of the amendment moved by my friends to my left. The government believes that when a commodity is under a quota it can, under this bill, curb the importation into Canada of that commodity. It thinks the legislation can do that in cases where the import is sold in Canada at prices lower than those charged in the country of origin. In theory, such goods would be dumped in this country. I wish to cite two examples to show how such a provision in the law is being contravened legally. Great hardships are being worked on producers. The government is placing great reliance on the present law, but I wish to show that the statute in question will not

[Mr. Barnett.]

solve the problem that my friends to my left have brought to the attention of the House.

I cite an example that affected me personally. At one time we were in the celery business, and when we had to compete against American celery brought into Canada we laid a charge. We said that the American celery was being dumped here, and we felt that we were on safe ground. Nevertheless, Californian growers were obtaining in California the same price that their celery was fetching in Canada. Why was that, Mr. Speaker? Their freight costs from California to Toronto, plus the cost of containers, were less than our freight costs from Chatham to Toronto. Therefore, it was not a question of dumping but of freighting that we had to examine.

My second illustration involves tomatoes. Not long ago we faced a problem involving canned tomatoes, an important commodity in southwestern Ontario. Those tomatoes were being landed in our eastern ports at sale prices which were lower than those our processors had to pay for the empty containers themselves. There was a real problem in that connection. I cite these two examples to show why this type of study with regard to this bill is so important.

We are dealing with supply management.

**Mr. Knowles (Winnipeg North Centre):** Six o'clock.

**Mr. Danforth:** I cannot understand why this government thinks it can introduce, under any bill, the concept of supply management when in 1963 Mr. Freeman, then the Secretary of Agriculture of the United States, with the full backing of the U.S. government, of the United States commodity groups and of the U.S. treasury, brought in supply management. That lasted three years only, because he found that it was absolutely impossible to administer supply management. It was the most impractical step that the United States Department of Agriculture had ever taken. He found, as we shall find when we impose a quota on any agricultural commodity, that to survive farmers will grow something else. They will grow a commodity not under quota. When there is a surplus of that and a quota is put on, they will produce a third product.

So the program will be impossible to administer when we have put quotas on every commodity produced by agriculture. I do not see how this government can accomplish something that the United States government almost eight years ago confessed was impossible of accomplishment and impossible to administer.

**Mr. Knowles (Winnipeg North Centre):** Six o'clock.

**Mr. Arnold Peters (Timiskaming):** Mr. Speaker, I support this amendment and the suggestion to refer the bill back to committee. I want to add something that I do not think has been said. When a board has to make a decision regarding the domestic consumption and export potential of any given commodity, it will find that most commodities are being imported at a certain price. The example of the hon. member for Kent-Essex (Mr. Danforth) concerning celery could be repeated for other vegetables such as lettuce. The Americans claim they do not dump lettuce in Canada. Their production is three or four weeks ahead of