

*The Address—Mr. Althouse*

offer the full support of our party for rapid passage of any reasonable legislation to put this assistance into force.

I would like to spend a moment discussing the reasons for this ever-increasing debt. It seems to me that we have an industry which is in very serious trouble, and that we should be looking at the reasons for the serious situation which was developed. You do not have a viable industry if you see the debt load of that industry tripled in ten years. Why is the industry not developing enough capital to refinance itself? Why are farmers continually having to borrow ever-increasing amounts of money in order to stay in business? I think we have to look at the kind of prices farmers have been getting.

● (1440)

This spring we find that potato prices are disastrously low, for the third year in a row. They are well below half the cost of production. Hog prices are about one third below the cost of production. Prices for finished cattle have slipped badly. Calf and feeder markets have followed. The Carter grain embargo is affecting grain prices and in particular is affecting feed grain. That embargo trapped a great deal of feed grain that previously had markets in the United States, where farmers are trying to get around the problem by feeding more to hogs and chickens. As the price of grain has fallen, so has the price of beef, hogs and chickens. Indeed, many analysts were predicting increases in grain prices prior to the implementation of the Carter boycott and this trapped unexpected supplies of grains in the United States.

We can contrast the problems in the hog, beef and potato markets with the egg, turkey and chicken industry in this country today. In these commodities, where national orderly marketing agencies help to stabilize price and supply and provide some security to both the farmer and to the consumer, things are not quite so bad. These agencies organize producers, give them some control over imports being dumped into our markets and provide consumers with a lower price for the product when international supply and demand swings the other way—to high prices on the world market.

Certainly there are problems from time to time with these agencies, but they are open to public scrutiny and are responsible to Canadians through Parliament in a way that no private corporation is ever expected to be.

In this context I want to say a few words, Mr. Speaker, in support of a Canadian potato marketing commission. How long must we watch the bickering amongst provincial marketing boards? Shortsighted and corporate dominated provincial governments and this federal government conspire to keep potato producers in a quagmire of debt, uncertainty and potential bankruptcy. I notice that another marketing agency has been established in the province of New Brunswick. It seems to me, having worked with a provincial board in Saskatchewan dealing with hogs, that it brings about only a minor improvement to the market situation. Until those marketing boards can work together in a national scheme, or at least a regional scheme, no real solution to the problem begins to emerge. I propose that we move as quickly as possible to the

establishment of a potato marketing commission with the provinces transferring some of their powers to the federal jurisdiction.

The potato industry in Canada is in very serious trouble. Prices this year are 1.75 cents per pound while the cost of production is 4.5 cents. This is the third bad year in a row. Parts of New Brunswick had massive crop spoilage problems and as many as 20 per cent of the farmers will not be able to put a crop in without considerable financial assistance.

If we were to set up an agency similar to the Canadian Wheat Board to provide standardized grading and inspection systems for all potatoes and hire top flight marketers like those in the Wheat Board, we would begin to realize the tremendous potential for expansion in the potato industry.

Let us consider now the benefits of this on the farm. Firm prices would attract and hold new farmers, would stabilize the farm supply and processing industry, and would allow farmers to move to a proper rotation of crops with better soil management, instead of the current continuous cropping and exploitation of the soil that some farmers are forced to adopt just to stay in business and beat the cost-price squeeze.

I would further argue that the hog industry is ripe for a similar orderly marketing system. The instability of the last decade has been very wasteful of resources. We have allowed the industry in Quebec to become heavily vertically integrated, with farmers at the mercy of the corporations and their "here today, gone tomorrow" contracts. We now see that Cargill, for instance, is moving to vertically integrate the hog industry in Manitoba as well.

Is Canadian production to be replaced by U.S. imports in the long run? Are we going to allow the same situation to occur with hogs as occurred in the past with chickens? Are we going to try to pick up the pieces in five years' time, when we negotiate with the United States on import levels, because we do not have a national marketing agency today? We should be moving on this now. Hog supplies are not far from being in balance with demand in this country at the present time. We have the potential to maintain and expand exports to the United States and other selected markets. Now is the time to set up a national agency, not five years from now.

I am pleased to see mention of a meat import law in the Speech from the Throne, Mr. Speaker, not because I believe it represents any long-term solution, but rather because it is a step in the right direction. I hope that it includes all meat and that we will also have effective controls on the movement of live animals for slaughter.

Before I close, Mr. Speaker, I want to mention a couple of other issues that are likely to come before us in this Parliament or that are recurring issues in this country. I hope to see, as does my colleague the hon. member for Prince Albert (Mr. Hovdebo), a full commitment to proceeding with the development of the port of Prince Rupert by this government.

I hope that feed grains will be restored to the Canadian Wheat Board and that the board will be given jurisdiction over oil seeds. I would recommend the adoption as soon as possible