

Parity Prices for Farm Products Act

more efficient than others or who just happen to get up earlier in the morning and work harder. That is the case in a number of industries and not just in agriculture. There is the difficulty of how to reward those who take advantage of everything that is available to them and those who work hard.

Mr. Nystrom: Just like politics, too.

Mr. Schellenberger: Exactly. Second, how do we put into this formula the use or development of new technology? Third, how do we set this price when we are attempting to gain access to international markets in the area of red meats and grain, something which must be done?

The Bill suggests that we set up commissions in two or three areas in order to do these things. Basically, the only way to do that is to control production. We have done that in a number of industries and it has worked. The dairy industry and the various feather industries have been able to control production and keep their prices at such a level that they receive adequate return for their work. By creating those boards, we are giving other people in the country who wish to farm fewer options regarding what they can produce. If we now begin to control production of hogs and cattle without getting into subsidies, then we offer the rest of the farmers fewer options. They are then locked into the production of horticultural products or grain. That is one difficulty we must recognize.

Instead of having the consumer pay the difference, we can have the Government pay the difference through the concept of subsidies. We all know the difficulties and what can happen in that case.

● (1750)

For a bushel of barley, a farmer in the European community now receives more from the Government than I receive from the Canadian Wheat Board when I deliver a bushel of barley. The European farmer receives more at the beginning from the Government. Canadian farmers must compete with that farmer to access international markets. The same is true in the production of other grain commodities. If we look at the European community and the commodities, by subsidization, which they are compelled to store because they have no market for them, we find warehouse after warehouse of butter and skim milk powder. We now have 850,000 metric tons of surplus beef in storage in the European community. That is a whole year's production in Canada, and it is growing. Is it any wonder that this community, with export subsidies, has attempted to access more and more markets in the world to get rid of the problem? There is a problem, no one can argue that. In 1980 and in previous years, they had no access to our market. In 1981, we bought 2.7 million pounds, in 1982 we bought 7.7 million pounds, in 1983 we bought 14.8 million pounds, and last year we bought 50 million pounds.

The European community is moving into the market through price. That has dropped the price which our farmers receive for their animals in Canada. Obviously, if a restaurant owner can buy cheaper meat, he will do that because it will

mean more profit to him. He is not necessarily concerned about where he gets that meat.

Canada has been lax in past years in dealing with the problem of access to our market. Other countries would never have accepted what we have accepted. Other countries utilized GATT arrangements, tariffs and non-tariff barriers to protect their producers. But Canada as a trading nation tries to be as fair as possible so that other countries can take advantage of the products which we push into their market. The European community is now saying that if we do not give access to their beef they will put tariffs on our blueberries, honey, rye whiskey and other commodities. It is almost blackmail that we are experiencing.

Members of the House have ideas. Those ideas must fit into Canada's need to produce sufficient food for our own needs and those of the markets which we supply around the world. No one can argue that there is a need in Canada for the large amount of foreign capital which is gained because of the sale of our agricultural commodities. It is in the billions of dollars. In the grain industry alone it is \$6 billion. Then there is the access to all the other commodities which we have in the world.

I have put forward the suggestion that we might reach out to the consumers of Canada to assist them in our domestic consumption. It is not a new idea. We could have a two-price wheat program in which we would ask the people who purchase flour products—breads, muffins, cakes and cookies—to pay more for the price of wheat which goes into the domestic production. That money could go to the wheat farmers. The difficulty with that is the bread which comes across the border. But I think we could deal with that, and I do not think our competitors in the United States would argue if such a program were brought in. Instead of putting a tariff on flour or wheat, we would put the tariff on breads, muffins and cakes. Instead of placing the tariff at the beginning, it would be placed at the end. It would be a retail tariff which would go directly to the farmers. A tariff of two cents on a loaf of bread would mean 40 cents a bushel to farmers on the Prairies. With the amount which we in Canada consume, 40 cents a bushel could mean the difference between bankruptcy and continuing production for a lot of farmers in western Canada.

If that concept could work for bread, why could we not implement it for beef, pork, soya beans, vegetables and fruits which are consumed domestically? I do not think it is beyond our imagination for such a program to be implemented. I have expressed that thought, and I assume that there are problems with it, as there are problems with Bill C-215, but when the subject of how we can get more money into the hands of farmers is put before the Standing Committee on Agriculture for study, then we might also put forward ideas such as these. Perhaps we would not accept everything which is put forward in this Bill, but there are some good ideas in it. I would like the committee to pursue my idea about a retail tariff which would go directly to the farmer. We might deal also with better stabilization programs for farmers, or bilateral arrangements with competitors. We know that approximately five countries