

large, highly mechanized operations. They have followed the same course as is cited in this article. Some 20 years ago they were getting along and making a living. Now I know of family farms that have followed the advice of the experts and have done what they were told would bring them profits. They have grown more, and become more efficient, but today some of these farms are in debt to the tune of as much as \$120,000. Their assets in used machinery would not begin to cover their debts.

I am convinced, Mr. Speaker, that if a farmer's cost of production per unit for any product is \$1 and the market price is 95 cents, and if he were able to double his efficiency and produce the same unit at a cost of 50 cents, given the present marketing situation his selling price would be only 45 cents, and he would be no better off. But the consumer would not be paying any less for his food, because the gains made through increased efficiency by primary producers have been swallowed up by increased costs of distribution and processing. This is also illustrated in the article in *Reader's Digest*, and I quote:

—few city people have any idea of how small a percentage of their food dollar goes to the farmer. For instance, top-quality green peas in July 1971 brought a Quebec grower only \$120 a ton shelled and ready for the can—a mere six cents a pound. In 1971, Ontario farmers in Essex County got only \$1.50 a bushel for sweet corn. The magnitude of the gap between such a price and what the housewife pays for the finished grocery item is best illustrated by the farmer who bought enough corn flakes to fill a bushel basket—and found that it cost him \$26.75!

Of the \$2.1 billion spent on Canadian food in 1949, farmers received \$1.2 billion, or 57 per cent. In 1969, when consumers spent \$6.4 billion, farmers received \$2.9 billion, or only 45 per cent. Clearly, an ever-increasing percentage of the food dollar is going into the food-processing and marketing industry, whose 1969 revenue was \$3.5 billion—half a billion dollars more than the farmers were paid for providing the basic product.

It is frequently said that in the average restaurant, depending on the content of a meal, the waitress who puts the meal on the table gets more as a tip than the primary producer gets for the food which makes up the meal.

Mr. Osler: She is usually better looking, too.

Mr. MacLean: Yes, but farmers are not in business for their looks.

Mr. Whelan: But there are an awful lot of good looking farmers.

Mr. MacLean: To show the percentage of the housewives food dollar that goes to the primary producers, these are some figures for the year 1971. They show that the average cost to the consumer of a 16 ounce loaf of bread was 21 cents, of which the farmer received two cents. The price of pork per pound to the consumer was 59 cents to 95 cents, and the producer got only 22 cents. The cost of a dozen of eggs to the consumer was 47 cents, of which the producer got 25 cents. A 42-pound box of apples cost the consumer \$5.50, and the producer got only \$1.92. A 48-ounce tin of apple juice cost the consumer 40 cents, but the producer got only seven cents. For milk, the consumer paid 35 cents per quart, of which the farmer got 17 cents.

It seems to me that many of the planners of our present agricultural policies, whoever they may be, are getting most of their ideas from textbooks that were discarded in

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eastern Europe about ten years ago. The huge, industrialized collective farm, which was the fad in eastern Europe, has not proven to be as desirable or as profitable as the theoretician economists would have us believe.

Again, I quote from Mr. Green's article:

Perhaps our agricultural planners should cease to encourage the survival of the fittest for a moment, and remember that Danish agriculture, perhaps the most progressive in Europe, is still pretty much in the hands of the family farm; that the Soviet Union, for all its emphasis on collective farming, has had to permit farm workers to cultivate individual plots of land for private use and profit; that the strength of the new China derives largely from the production of peasants who still retain a share in the land.

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The so-called benefits of scale are not the only way in which the problems of the farmers can be tackled. I maintain that it is not the only solution. I go even further and say that it is not a solution at all. I believe that time will prove me to be correct. Farmers have increased their productivity in the last 20 years more than almost any other industry, yet they have not benefited, nor has the consumer gained, because the savings of the farmers have been swallowed up in the skyrocketing costs of transportation and distribution. These costs are higher in cases where there is a great deal of specialization. For instance, in Prince Edward Island people eat carrots which were grown in Texas and turkeys which came from California. I would say that the benefits do not accrue so much to the highly mechanized farmer in California or to the consumer in Prince Edward Island but they go rather to the transportation and distribution system.

Agricultural elephantiasis does not make for increased efficiency either, I believe. Large areas under one crop are an abhorrence to nature and invite epidemics of every conceivable disease that a plant might have. They invite epidemics of insect pests which have to be dealt with by excessive uses of insecticides and other dangerous chemicals in most cases. It follows that in mass production of food, so far as perishables are concerned, the food must be subjected to excessive processing to preserve it. The result is that more and more of the consumers in North America eat highly processed food which—and I believe nutritionists will agree—is not as beneficial to humans as is fresh produce. I believe that there is room, as is the case in Europe, for the production of specialized perishable foods near the areas where they are to be consumed so that the consumer will have the benefits of a fresh product rather than frozen or more highly processed foods. The larger is the area that is used for one crop only, especially if it is not in rotation, the more the balance of nature is disturbed, forcing an excessive use of chemical fertilizers, insecticides, fungicides and other chemicals which in the long run poison the whole biosphere.

I am leery of the much heralded small farm assistance program, because we have had a sample of it in my province where the experts who believe that the solution of everything is bigness are offering to buy out marginal farms. This is beneficial to many farmers who are at the end of their productive years, and certainly they are entitled to any benefits they can receive, but in my humble opinion this will not serve to solve the agricultural problems in Prince Edward Island or anywhere else. There is a program to reduce the number of farmers in Prince