

Food Prices

Mr. Penner: Show me a situation where that has not been the case.

Mr. Woolliams: What about the war?

Mr. Penner: What about it? Look at the history of the Second World War and find out if it did not exist. It is for this reason that the Special Committee on Trends in Food Prices, in recommendation No. 8, said that ways should be found to increase supplies, and in recommendation No. 9 talked about protecting domestic supplies. It was with this in mind that the government on a temporary basis, through order in council, provided for export licensing for cattle, hogs and the products thereof. The order was introduced to prevent a shortage caused by an unusual drain on Canadian supplies—created extensively by the U.S. price control system—that which the Minister of Agriculture (Mr. Whelan) last weekend called “a stupid law”.

Mr. Speaker, I enthusiastically welcome the debate we are having today on the report of the committee because it gives all hon. members an excellent opportunity to state as fully and as clearly as they can what steps they would propose and argue for to reduce food prices, while at the same time not having us live cheaply off the hard labour of our farmers or creating a shortage of supply and black market prices whereby the rich continue to enjoy a bountiful table, regardless of cost, while the poor can barely afford a subsistence diet.

Some hon. members in this and other debates have argued that we cannot consider rising food prices apart from the problem of inflation in general. That is only half true. The Minister of Justice (Mr. Lang) in a debate a week ago reminded us of a fact that well deserves repeating in this debate. On September 10, as reported at page 6391 of *Hansard*, he said:

—that a good portion of the rise in the price of food should not really be treated as an ordinary price rise similar to that which has taken place in every other sector over a period of time, or indeed that is taking place even now. A good portion of the rise in food prices is an overdue adjustment of income to farmers in Canada who produce grain and meat for market.

It is of particular importance that these adjustments have taken place. Adjustments of a similar magnitude compared with other price rises need not and will not take place in the future, but the adjustment that has taken place to date is overdue. I say that because it is important that other sectors in this country should not believe that they somehow have to try to catch up to the over-all price increases that are taking place in this country, including the increase in the price of food. This would be an attempt simply to take back for the more protected—those on higher incomes—all the gain that has been made by giving farmers a better income return, as well indeed as other gains being made under this Liberal government by the low income earners in this country.

Mr. Deputy Speaker: Order, please. Before I recognize the next speaker I think the House would want to ensure that there is less interruption of members who are making well researched and interesting contributions to the debate, even though I realize that the results from Jarry Park, Montreal, are heartwarming indeed. The hon. member for Kent-Essex (Mr. Danforth).

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, after many months, in fact years of outcry by the consumers of this country against high living costs we are still faced with a government that seems afraid to tackle the basic

[Mr. Penner.]

causes. This cry that we hear today also comes from the agricultural producers who want this government to give them an opportunity to create more supplies of Canadian goods in order that they can fight on an equal footing to preserve prices to the Canadian consumer.

As far back as last February this party advocated a freeze on food prices, costs, incomes and wages in order that we might have a breathing period in which to take stock of what was going to happen in the country. As long ago as February it became evident that there would be a tremendous increase in prices in the ensuing months and this party advocated that steps be taken to find out if something could be done on behalf of the consumers.

Mr. Speaker, when we talk of consumers, there are no greater consumers in this country than those who produce the food. They, too, are consumers.

Some hon. Members: Hear, hear!

Mr. Danforth: They are concerned about their input costs as consumers. This is one of the basic problems. If prices had been frozen in February, we would have saved the consumers of this country literally hundreds of millions of dollars and there would not have been this excess profit-taking that our friends in the NDP are talking about—the big rip-offs. But because the freeze did not take place at that time, because we did not have an opportunity to have a breathing period in order that we could sit down with labour and industry, the leaders of agriculture and all the people concerned with the welfare of this country to work out a program, we are in this mess today.

The government of this country delighted and laughed at the fact that we advocated controls. They laugh and express glee when they point to what they call the chaotic situation in the United States. But, Mr. Speaker, today the consumer in the United States has a better shake than the consumer in Canada.

Some hon. Members: Hear, hear!

Mr. Danforth: In the limited time that is left to me I would like to talk about controls. First I should like to talk about the NDP and their controls. They laughed at our controls, but they are advocating price controls—only they do not call them price controls. They say, “Set up a committee to roll back prices”. That is price control. But the problem is that they would roll back prices at the retail level and the primary producer is the man who pays and pays and pays.

Some hon. Members: Hear, hear!

Mr. Danforth: They talk about rolling back prices, Mr. Speaker. When you roll back prices at the retail level, you let the input cost of the primary producer go to such a degree that he stops producing. This government that laughs at us for advocating price controls is instigating a worse kind of controls—selective controls. These selective controls have the same basic weakness as the NDP controls because they do not control input costs.

When you freeze the price of milk to the consumer for 12 months, as they have done, the primary producer cannot recoup the tremendous input that he is faced with. When