

*Adjournment Debate*

## AGRICULTURE—PRICE OF HERBICIDES—STEPS TO ASSIST FARMERS

**Mr. Jake Epp (Provencher):** Mr. Speaker, on April 26, yesterday, as recorded at page 4884 of *Hansard*, I asked the Minister of Agriculture (Mr. Whelan) whether he would reconsider opening the border for the importation of herbicides in those cases where it could be definitively proved that costs of those herbicides in the United States were substantially lower than in Canada.

I think we have to remember that farmers receive the international price for their products. We must also remember that the input costs farmers face have increased dramatically, thus reducing the net incomes of farmers. Just the other day the Minister of Agriculture got up in this House and said—and how he could have said it I do not know—that farm income had increased by 187 per cent. What he conveniently forgot were input costs. How could the Minister of Agriculture tell us about that increase without talking about input costs? The Canadian Federation of Agriculture has said that in the last three years net income to farmers, after costs, has dropped 54 per cent.

I remind the minister that in my home province of Manitoba in 1976 net farm income, after costs, was \$327 million. In 1977 it dropped to \$281 million. In 1978 it is estimated that it will drop still further, to \$248 million. In 1977, operating costs in the United States increased by approximately 5 per cent over 1976. In Canada those operating costs increased by approximately 10 per cent.

That brings us directly to the problem we are facing this evening. Last year the minister closed the border to Canadian farmers who were importing herbicides. Those importations were taking place because those herbicides were priced at a lower rate in the United States than in Canada. The minister tells us that there is no appreciable price difference. I have been checking with farmers in my riding. They have been calling me as well, and there are substantial price differences. If we take into account the discount on the dollar which is now 12 cents or 13 cents, imports, brokerage fees and transportation costs are still lower in the United States.

Hon. members do not have to depend on my figures or the figures of farmers in the riding of Provencher. Let us look at the minister's figures. In a letter dated April 13, 1978 addressed to the hon. member for Lisgar (Mr. Murta) the minister pointed out that in North Dakota and Manitoba Treflan, Cobex and Avadex were more or less the same price. He gave the highs and lows for the state of North Dakota and the province of Manitoba.

However, let us look at two other herbicides and the minister's figures with regard to them. The low price for Eptan 8 in North Dakota is \$2.49, and the high price is \$2.67. Those are base prices related to pounds of active ingredient. In Manitoba the low price is \$3.50, and the high is \$3.95 per pound of active ingredient. That is a 70 per cent differential. How can the minister say that the price is more or less the same?

[Miss Nicholson.]

What about Eradicane? In North Dakota—I am using again the minister's own figures—\$2.67 is the low and \$2.92 is the high. In Manitoba, \$4 is the low and \$4.31 is the high, an increase of 65 per cent.

● (2212)

All that Canadian farmers are saying is this, and it is a very simple request: we must compete on the international markets. We receive the price for our products that the market will bear. Why must we be penalized by the Minister of Agriculture, who claims he is a friend of the farmer, and why can we not buy herbicides at prices that are most beneficial to Canadian farmers? They are proving time after time that their input costs are rising. The herbicides which they buy in Canada come from the United States in the first place. Who is taking the mark up? Here is the Minister of Agriculture, the self-proclaimed friend of the farmer, willing to jeopardize and to penalize Canadian farmers to the extent of 65 per cent to 70 per cent, which is his own figure. Where is the justice?

In his own letter the minister says that on March 9 when this survey was done they had minimal figures on hand. He said that the consultative committee made up of members of the industry and farm groups was to meet on April 27, which is today. If I can take the minister's letter at face value, that meeting has taken place. I say to the minister clearly that he better come up with much better evidence other than what the farmers are giving him, what the farm groups are giving him and what the brokers are giving him, as well as what members of parliament who have done their own research are saying.

I say to him that if he can justify a penalty of 65 per cent to 70 per cent to Canadian farmers, then the service that he is giving to farmers is of no benefit. I challenge him and his parliamentary secretary to give Canadian farmers an equal break and allow them to compete in the international market at prices that other farmers, such as farmers in the U.S., have to pay. We must allow them to compete. If we do not, this basic agricultural community which is so essential to Canada's economy will continue to flounder, input costs will continue to rise, and farmers' income will continue to drop. How are we to maintain family farms? It is the responsibility of this Minister of Agriculture to start defending agriculture in the practical ways which I have mentioned tonight.

**Mr. C. Douglas (Parliamentary Secretary to Minister of Communications):** Mr. Speaker, I am very happy to reply to the question raised by the hon. member for Provencher (Mr. Epp) in the "packed" House this evening.

The closing of the Canada-United States border to imported pesticides does not seem to have adversely affected the prices of pesticides in Canada over that period. The pesticide price and supply committee mentioned by the hon. member which was set up to monitor prices and supplies when the border was closed on March 4, 1977 has now met six times and is in its second year of operation. It has not found any price spreads inconsistent with the usual cost factors in the pricing of herbicides. As a matter of fact, as the hon. member mentioned, that committee did meet today.