

Supply—Agriculture

prepared now to perhaps make a supplementary statement relating directly to the estimates, but there is some indication from reading *Hansard* that there may be some subjects hon. members would like to discuss relating to agriculture that may not be included in my remarks. I, of course, would be happy to do what I can in respect of answering questions in those areas.

The agriculture committee over the past several weeks has given close scrutiny to the 1968-69 estimates of the Department of Agriculture. I do not believe that any useful purpose would be served by my reviewing or recounting the testimony given by myself and by officials of the department. I do think, however, it would be useful if I were to refer to the objectives of the Canada Department of Agriculture and to summarize quickly some of the recent developments in departmental programs.

The Department of Agriculture exists to serve the farmer and in so doing serves all Canadians. We cannot have a healthy Canada without a healthy agriculture. Farm products are very important earners of foreign exchange. About 40 per cent of the work force in Canada is employed in the growing, processing and distribution of agricultural products. A continuous supply of high quality food at reasonable prices is essential to the high standard of living that Canadians expect as a right. That continuous supply will only be there so long as we have people—farmers—willing to produce it. And they will be willing to continue to fill our shopping carts only if they can receive reasonable rewards for their work. Our ultimate objective is that a farmer should be able to make the same return on his capital and labour as if he invested them in the industrial side of our economy. Surely this is not an unreasonable goal.

The 1968-69 main estimates of the Department of Agriculture, excluding the Canadian Dairy Commission, the Farm Credit Corporation and the Canadian Livestock Feed Board, total \$255.8 million. This is an increase of approximately \$1.7 million over the previous year if you allow for supplementary estimates, contingency allocations and organizational adjustments. If all these other items are included there is an over-all total of some \$284 million.

Provision has been made for increased expenditure under the agricultural stabilization program. The spending for crop insurance premiums will continue to rise as more

provincial plans come into operation and more farmers take advantage of this federal-provincial program. Reductions appear for emergency assistance programs instituted to help farmers who suffered income losses due to adverse weather conditions. Cheese premiums have been dropped, total cost of hog quality premiums has been reduced, and less has been allocated for capital programs in the research branch and Board of Grain Commissioners.

With the funds voted to it by parliament, the Canada Department of Agriculture administers some 30 statutes. The department, among other things, conducts research, grades and inspects farm products, prevents and controls outbreaks of disease and pests in our crops and livestock, and carries out a great many other activities to help solve the farmer's production and marketing problems. The department employs 9,000 people at some 200 separate establishments from St. John's to Victoria with a total of 1.5 million acres of land and 2,500 laboratory, farm and office buildings.

In the interest of brevity, I will not go into detail on the many continuing programs of the department. I shall be happy to answer questions on these areas later. Rather I would like to say a few words on some of the newer ventures on the agricultural scene in which the department is giving leadership.

● (3:50 p.m.)

First may I mention the national farm management service. Farm management involves the use of economic and business principles in determining that combination of land, labour and capital inputs on the individual farm that will yield maximum net income. In the development of the national farm management service the main emphasis is on using an ultra-modern, yet simple, record keeping and analysis system through the use of a computer. It is hoped this service will encourage a more sophisticated approach to farm business management, show profitability of enterprise within a farm business and identify, diagnose, and help to solve some management problems for individual farmers. The department expects to spend some \$250,000 in the development of the national farm management service this fiscal year and, in collaboration with the provinces, bring the system into operation in 1969 or early 1970. I might say in addition that when I mentioned those dates I did not intend to indicate they were target dates for some of our pilot projects but