

Support Price for Manufacturing Milk

In closing, Mr. Speaker, I might mention that farmers, and especially dairy farmers who work long, hard hours every day of the year, are not a burden on the economy, but an asset. These are not people who should be robbed of their incentive and even of their way of life, then forced into overcrowded cities to start over again in a new, and, to them, strange and unsatisfactory environment.

Mr. A. P. Gleave (Saskatoon-Biggar): The difference in actual support level, according to the minister's statement today, is not great. The statement recognizes many of the facts of life in the dairy industry of Canada.

• (4:40 p.m.)

What really concerns me is that through the action of the Dairy Commission and the policy of the Department of Agriculture, coupled with what is happening in agriculture, we are in a period of transition in this industry. I do not suppose we can change that fact, but the important thing to me and to our party is that in this time of change the hardships on those producers who are being forced to accept change should be minimized.

What also concerns me is that in this type of change the greater part of the weight of the adjustment is falling on the small producer; it is falling on the individual in the dairy business who is least able to absorb it; it is falling on the individual who has the least resources and the least cushion. As the previous speaker said, we on our side of the house receive letters from people with small herds who are being threatened with closing up. The minimum amount of income they are obtaining from their dairy herds, which is absolutely essential to the maintenance of their families and the maintenance of their livelihood, is going to literally disappear.

The Dairy Commission is in the forefront of operating a supply-management program in this country by virtue of subsidies and the administration of the money it receives through the producer. I say to the minister that if in the first nationwide experience with this type of program we find the burden falls more heavily on certain segments of the industry or certain parts of Canada, the program will fall into disrepute. The Saskatchewan department of agriculture, in its submission to the Canadian Agricultural Congress, complained that the Dairy Commission was not recognizing the fact that the small-scale cream producer, with little alternative use for

the few resources he devotes to dairying, is really a low-cost cream producer. Saskatchewan said that the commission has not recognized this important point and has ruled out the low-volume cream shipper on the assumption that he is inefficient and not worthy of public support.

This is a pretty serious statement, coming from a department of agriculture of one of our provinces. They went on to once again make the point that while many small producers in Saskatchewan have lost their quotas, these have been re-allocated to producers in other provinces who are producing manufacturing milk, thus adding to the already huge surplus in this area. They they said:

We believe it is most unfortunate when policy gives producers of a product in one region of Canada an advantage over producers of the same product in another region and the advantage is related simply to differences in organization of the enterprise. In this instance, the policy discourages the production of cream in favour of manufacturing milk when the latter is by far the greatest surplus problem.

These are pretty serious allegations. I do not want particularly to associate myself with a regional argument, but I do say that a great deal more concern has to be shown for the small producer than has been shown up to now. More flexibility in this period of adjustment has to be shown than has been shown up to now. When administering a nationwide policy that affects the very existence and livelihood of people, you cannot use a strait-jacket. The department and the commission have to take into consideration what they are doing to the individual living on the farm and whose livelihood is at stake. From my information and observation, I am not sure they are doing it. I urge, therefore, that this problem be given very careful consideration.

[*Translation*]

Mr. C.-A. Gauthier (Roberval): Mr. Speaker, listening to the minister earlier, I was looking for an opportunity to congratulate him and it has presented itself because he announced today his dairy policy which was not to be announced before early April.

I must congratulate him for this early announcement because the farmers, particularly those in my area feared that once again this year that statement was going to be delayed which fortunately has not been the case.

[Mr. Moore.]