

Adjournment Debate

This is a most positive measure which shows the political will of the Conservative Government to set up and maintain a production quota system. In fact producers are now in a position to benefit from the same national supply management opportunities as those available to other sectors of the poultry industry.

This federal agency allocates quotas to the provinces, thus making it possible to remove market surpluses and regulate imports and exports. This will prevent new import records caused by inflated demand or surplus inventories among distributing agents or producers. The ultimate result should be increased efficiency and productivity, which in turn will contribute to even out the ups and downs of production operations and enable all firms concerned to make savings in the long run, even though the new system will discipline them at the outset.

Of course, Mr. Speaker, I am very pleased with the establishment of such an agency, because after many years of active representations from the Broiler Hatching Egg Producer Association of Canada, again it is this Government that, within a short time, succeeded in establishing that new agency.

I am all the more pleased since my constituency of Drummond has hatching egg producers, and a famous hatchery in Wickham, namely Boire Brothers which, as the name implies, is a family business producing 500,000 chicks a week, of which 430,000 broiler chicks and 70,000 layer chicks.

The total Quebec weekly production is two million chicks, which means that Boire Brothers' production in my constituency accounts for 25 per cent of the total Quebec production.

As you can see, Mr. Speaker, this is a very important industry in my constituency, generating as it does 95 direct jobs and some 15 indirect jobs, in addition to injecting into the regional economy a few million dollars' worth of investment. You will appreciate what such an industry in the farming sector can represent for a small village, a constituency or a whole province.

During my election campaign, in the summer of 1984, I was made very much aware of the problem by farmers, and I was committed to support their cause and that of the 100-odd quota holders in Quebec, who produce some 115 million hatching eggs, worth over \$25 million a year.

What is of concern to me, Mr. Speaker, and I would like to put the question to the Minister of Agriculture or the Parliamentary Secretary who is present in this House: Will a free trade deal with the United States put that national marketing plan in jeopardy? I am expressing the concerns of producers.

Indeed, egg imports reached the 19-million level in 1985, and if the situation is maintained or grows worse after a free trade agreement, Ontario and Quebec would stand to suffer the most.

I should remind the House that Canada's total weekly production amounts to 6,181,000 chicks, including 1,980,000 in Quebec, which I suggest is very high.

Surely the Canadian agricultural community cannot afford to lose a sector which brings in more than \$100 million a year and provides in excess of 2,000 jobs.

Let us not forget that hatching egg production is the first stage of all poultry farming operations. If imports are not controlled right from the first link of the chain, the entire agricultural sector will feel the impact.

Could the Parliamentary Secretary explain how our Government will protect the situation of the Canadian agricultural community? Or could our Government take long-term measures likely to enhance the quality of our farm products and pave the way for our agriculture to compete with American producers?

Mr. Jean-Guy Hudon (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, before answering this question, I would like to say that the Hon. Member for Drummond (Mr. Guilbault) is to be commended for his knowledge of this question and for the very real interest he has shown for local issues with a national and provincial dimension.

On November 27 last year, the Minister signed the proclamation creating the Canadian Broiler Hatching Egg Marketing Agency, and on December 1, 1986, the Minister announced the creation of this agency.

Mr. Speaker, I know that recently, Alberta signed an addendum to the federal-provincial agreement. Alberta's producers represent 13 per cent of production. The provinces of Quebec, Manitoba and Ontario, whose producers represent 66 per cent of production, have already signed the agreement.

Thus, Mr. Speaker, the Government has fulfilled another policy commitment of the Progressive Conservative Party during the last election, namely that we would support Canadian farmers in the development of their own marketing plans.

This Government acted quickly to meet producer desires. The creation of this agency took a little over three years. In contrast, the Canadian Chicken Marketing Agency, the last one created, took four years to establish, from the start of public hearings to its proclamation late in 1978.

The program will not, however, establish prices. Pricing will remain as it is now, at the provincial level. Similarly, each province, not the National Agency, will assign quota to each individual producer.

This provides for a flexible system by encouraging the hatching egg board in each province to meet the marketing conditions as necessary.

The program does not include import controls. Currently, hatching eggs and chicks can enter Canada in any amount provided that the import tariff is paid. The current tariffs are 2.5 cents per dozen hatching eggs or 2 cents per chick. The chick tariffs represent about 6 per cent of the farm value of the chicks. At the end of 1986, imports of hatching eggs were 14.9