

*Food Aid*

assistance from government to assemble larger blocks of land and to finance mechanization.

Indeed, those very well may be the kinds of things world organizations should be looking at, because if we look back on the history of agriculture even in this country, that was one of the severe problems experienced. Farm communities could not generate enough capital to assemble large acreages which would make mechanization possible. An entirely new approach was taken by lending institutions after the second world war which made this possible, and that allows us to be one of the best fed nations in the world and one of the most productive from an agricultural point of view.

The average per capita income in developing countries is less than one tenth of that in developed countries. In 1973, for instance, the per capita gross national product in developing countries was estimated at U.S. \$310 compared with the average of \$4,180 in developed countries and \$5,372 in Canada. One has only to stop and think about those figures to see the magnitude of the disparity. If in fact in Canada many agricultural sectors are very marginal with regard to size and it is common to generate an average income of about \$5,400, one can imagine when in other countries that income is only about \$300 how far we have yet to go in the global development of agriculture. The income disparity is greater than the averages indicate. In developing countries there are some 300 million people who are unemployed or underemployed. Estimates made by the World Bank indicate that 750 million people in the developing world are considered to be poor and, of these, 85 per cent are in absolute poverty, based on an arbitrary criterion of annual per capita income of \$50 or less.

My colleague the hon. member for Scarborough West (Mr. Martin) has had the opportunity to travel to certain parts of the world and has seen how great this poverty really is. I think all members of this House and particularly those from agricultural communities would agree that the fundamental thing which has to happen to change this situation is the development and the maturity of agricultural organizations within each of these developing countries.

The total grain consumption per capita in one form or another in developed countries is somewhat over 500 kilograms, and in developing countries with market economies it is only about 180 kilograms. About 10 per cent of the grain consumption in this latter group was from imports. In some countries the percentage of grain imports over consumption was even higher. One might reach from that figure the conclusion that Canadians are well fed with a great variety of high quality food, and in spite of the questions and statements expressed in the House in the last few days, as a percentage of total income, food continues to be one of the best bargains there is in Canada. I think that when we are debating our current concern about consumers with respect to food prices, we should not be doing it from the point of view that somehow farmers are presently making a fortune. I suggest that many

[Mr. Milne.]

farmers in Canada are making a good income at this time, but they require a good deal of it to pay off some of the losses.

● (1622)

**The Acting Speaker (Mr. Turner):** Order, please. I regret to inform the parliamentary secretary that the time allotted to him has expired.

**Mr. Bert Hargrave (Medicine Hat):** Mr. Speaker, first of all, I wish to say that I did not intend to take part in this debate, but when my agricultural colleague the hon. member for Peel-Dufferin-Simcoe (Mr. Milne) started to speak, I must say he attracted my interest and I decided I would like to make a few comments.

His theme appeared to be the importance of food production at the local level, and he seemed to zero in on the speech of the Minister of Agriculture (Mr. Whelan) made recently in Mexico. I want seriously to suggest that he did not mention in any way the politics of world food production or even the politics of domestic food production, and that is a very important aspect of food production.

I want to say a few words now about the involvement of politics in our domestic food production. Believe me, I have been very much involved in that over quite a number of years and I can think of a number of political involvements which, looking back over the years, we might have been better off avoiding. First of all, I will mention the famous LIFT program, the lower inventory for tomorrow program, which was developed when we had the so-called surplus grain. It is true we produced an immense amount of grain and it seemed as though we would have trouble marketing it.

The initials of the program were quickly twisted around to mean "lower incomes for tomorrow" program. The impact of that totally political program was to interrupt in a massive way the whole program of grain production and livestock production on the prairies for a number of years. I do not think the public at large is quite aware of how significant was the interruption that took place as a result of that program, together with the complementary program which encouraged grain farmers not only to go out of grain production, but to re-seed their cultivated lands to forages, and there was a significant shift to forages. Of course, the only way they could harvest forages is to introduce livestock, mainly cattle, to graze those forages. This was the beginning of a distortion in our cattle cycles, and we are still suffering from it. It enhanced the swings of the cattle cycle. Again this was a solely political decision, and a federal one.

Now I want to speak about more recent developments and comment on another issue, which I am sure is well within the memory of everyone in the House. I am thinking now of the political decision which was made in 1976 in the face of unrestricted access to our Canadian beef markets. The government of the day and the present Minister of Agriculture