Lambs and wool would replace sheep in the list of named commodities, thereby solving a problem we have with providing stabilization for both sources of the sheep producer's income.

Currently, the support period must be for 12 consecutive months. We are proposing to authorize periods of support shorter than a year, but not less than three months, so we can react more effectively to shorter term cost-price-squeeze situations.

Finally, when passed, the Bill will delete the restriction on the amount which the federal Government may spend under the Act in any year, a holdover from the days of financing the Act from a revolving fund.

Now I will move on to the enabling aspects of the Bill. This is really the heart of the Bill. As I said before, we are asking Parliament to provide, through this legislation, the framework for much more effective and efficient stabilization programs, programs that are going to constitute the basis for a true partnership with farmers and provincial Governments.

Section 10 of the existing Act allows for the federal Government to enter into stabilization agreements with the provinces and producers. But while the wording is, at first glance, quite open-ended, there are problems with it. For one thing, it does not allow for the creation of a jointly funded program. For another, it does not allow for the use of different formulas for calculating support prices, and therefore it does not respond to the unique nature of each commodity. The proposed amendments would do so.

If federal-provincial agreements can be achieved, the Bill will enable us to reduce the problem of interprovincial competition over stabilization programs and their resultant disruptions in production and marketing patterns. It would put our livestock industry on a more solid, competitive, and therefore secure, footing.

The new program would also reduce our trade difficulties with other countries. It specifically excludes from coverage the portion of a commodity that is marketed abroad. Furthermore, it would lead to fewer *ad hoc* programs, which disrupt normal production and trade patterns.

The Canadian program would avoid the problems encountered in the U.S. and with the EEC programs by limiting the amount of money the federal and provincial Governments would contribute to the program. Support levels would not constitute an incentive to over-produce, the programs would be actuarially sound, and there would be an automatic review of each stabilization plan every five years.

I do not want to go into the details of the red meat plans which have been drafted in consultation with the provinces and producers because they will have to be refined and finalized after the enabling legislation has been passed.

[*Translation*]

Of course, those are new terms that were unknown to us in previous years—consultation, arrangements, negotiations with the Provinces and with producers. They had disappeared from the Canadian landscape, from Government policies. That in my view is a change for the better.

Fourth, Mr. Speaker, is the legislation winning popular support? I want first to point out that this legislation is a fair compromise. Quite honestly, we must admit that it will not please everybody. We are aware of it. However, I want to assure you that the Bill is not cast in cement, to use that phrase. As any other proposal, it is subject to improvement. Indeed we expect that it will be scrutinized by the Standing Committee on Agriculture, which will be in a position to start discussing it, hearing the views of and consulting Canadian producer groups as soon as possible. That is where all the views that have been expressed concerning the Bill over these last few years can be aired and analysed.

We are quite aware of regional differences. This is both the difficulty and problem and the greatness and richness of this great land of ours. The problem has been raised by many Provinces which have not yet given their support to the changes contained in the Bill.

We all know that in Canada, the spectrum of natural resources and the access to markets vary from one region to another. The same goes for production costs and commodity prices. In other terms, Mr. Speaker, all the regions of Canada do not have the same ability to produce any given commodity. However, the ability to efficiently produce is something that can be acquired.

It is also possible to fill the gaps between regions by way of research. When controlled by farmers, research can enable them to increase their productivity—the productivity of lands, crops, animals, manpower and capital. When a part of the tax dollars is channelled into research, permanent solutions can often be found to the problems of regional disparities. As a general rule, all the producers of any given commodity are affected simultaneously by a cost-price squeeze. This is especially true in the case of red meat, because there is a close link between the markets and the main production factors of those products. Price and cost fluctuations are a national rather than a regional reality. I think we are all aware of that. For all those reasons, it is important that we should have a national program.

Moreover, we are pleased to note that the regional concerns are both valid and sincere. We feel that the bill should be considered at length when it is deferred to the Standing Committee on Agriculture in the days to come. I remind you that the government is open to innovative solutions provided that they do not violate national policies on which the bill is based.

It should not have forgotten that we have reached the best consensus of our history after ten years of negotiations. The four provinces which have already joined the national tripartite program for the stabilization of red meat prices represent 94 per cent of beef cattle; 88 per cent of cow-calf operations;