

would like him to let me express my views on this legislation.

Let us get back to the subject. What reasons have made us consider this problem? I would first say that our agriculture is in deficit. I think that at present no farmer is so happy with the situation prevailing on the markets. If one considers the net farm income realized last year, one sees that our Canadian farmers incurred a loss of 10 per cent, and I would not want this legislation to be considered in terms of a competition between Eastern and Western Canada. Quite the contrary, Mr. Speaker, I want to approach this legislation, as all my colleagues have done, that is as a member of the Canadian Parliament, and not as a representative of a specific area of our country.

So, in all objectivity, we shall look into the present situation. There are two alternatives: to keep on producing without taking demand into account or to put some order in the market.

We had surpluses in spite of a 50 per cent decrease in farm labour and a 25 per cent reduction in the number of farms in the last 20 years. Agricultural production has increased by some 50 per cent. This increase has been greater than that of demand. What were the results? Never before have such an abundance and such a variety of food products and prepared foods been available to the Canadian housewife.

In 1957, food expenses represented 23 per cent of the income of families and individuals after taxes. In 1968, the percentage was 19 per cent. While consumer prices have increased by 56 per cent from 1949 to August 1968, prices for agricultural products have only increased by 21 per cent.

So that is what the agricultural problem is all about. It is not a production problem. It is a marketing problem.

Without adding to our technical know-how, without resorting to any new methods, we could increase our livestock by 20 million heads of cattle, as compared to the 6½ million we now have.

The same applies to the dairy industry; we could double our production without necessarily increasing the number of heads. We could simply increase our output per unit a little. The production per unit, with regard to cattle, hogs or farm products, has increased a great deal.

What happens if we increase production regardless of the consumers' needs?

There are direct effects on prices to producers.

Mr. Speaker, I do not think the bill establishing national marketing agencies should be considered only from the viewpoint of imposing quotas on poultry products, of solving the chicken and egg war.

The first purpose of the bill is to set things in order, to study farm marketing problems. We should not have in mind to set only poultry production in order. There was really a problem about poultry production and we were very pleased when the federal government granted a \$388,000 subsidy for the shipment of production surplus to Japan.

It was a subsidy to the broiler industry of Quebec which was losing \$250,000 a week. There is no doubt that the financial assistance of the federal Department of Agriculture helped the agricultural industry.

### *Farm Products Marketing Agencies Bill*

Now if we are convinced of the importance of orderly marketing of farm products, we must accept—

[*English*]

**Mr. Horner:** Mr. Speaker, would the hon. member permit a question?

**Mr. Roy (Laval):** Mr. Speaker, my time is limited. I will accept questions when my speech is concluded.

[*Translation*]

I think that if we are aware of the importance of such a legislation, if we really believe in the farming industry and if we want to help it, we should pass this bill without any amendments.

Further, to show to what extent the government is concerned with the problem of marketing farm products, one has only to refer to Bill C-197. We considered it in committee for seven days. We received briefs from all associations that have been willing to submit their views to the committee on agriculture. The members of this committee travelled across Canada, they visited all the Canadian capitals and examined the briefs that have been submitted.

Then, Bill C-176 was introduced in this House on October 26; two days were spent for the second reading and 37 for consideration in committee. To show you the extent of participation from interested parties and the consideration that the briefs received the committee accepted 36 amendments to try to improve this bill, to make it a realistic bill that meets with the farmers' needs. Then, 52 amendments were rejected, but of these eight are still before us at the report stage.

Now, Mr. Speaker, I shall point out to those who believe this is just a chicken and egg controversy that while we were touring the country a question was directed to the Minister of Agriculture of Ontario. This morning, I was listening to the hon. member for Peace River (Mr. Baldwin) stating that there should be free movement of all farm products.

And on January 25 last I addressed to the Minister of Agriculture of Ontario the following question, which I quote from Issue No. 14 of the committee proceedings:

• (8:20 p.m.)

Thank you. I have a question for the minister. Does the minister know that since we started to balkanize the provinces, the Quebec broiler producers or the Quebec poultry meat producers lost \$250,000 a week since this situation has developed. As a Quebecker, I think that is the application of the separatism thesis that some people want to develop in Quebec, and I think the reaction was so bad actually in Quebec because it was impossible to find any solution during your negotiations.

To which the minister replied:

First of all, Mr. Roy, if I may, sir, with great respect, I take exception to the comment you made that we started to balkanize because of the broiler situation. I respectfully submit, as I did this morning, that the balkanization of Canada started in 1935 with the implementation of the Wheat Act. It seems strange to me, sir, that it is now being referred to as the balkanization of Canada when we talk about broiler and egg problems in Canada.

I think therefore that the primary objective is not to restrict this bill to broilers and eggs and that the first balkanization policy of the provinces has begun, as the Ontario Minister of Agriculture said, with the establish-