

*The Address—Mr. Whelan*

seeking the floor, such as the hon. members for Carleton-Charlotte, Victoria, Moose Jaw, Red Deer and Sault Ste. Marie. There is, of course, one prominent member in the second row who was seen but not called on to ask a question today. I thought I would mention that an effort will be made by the Chair tomorrow to see hon. members who have not been seen today.

## SPEECH FROM THE THRONE

[English]

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed, from Friday, March 1, consideration of the motion of Mr. Stollery for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto by Mr. Stanfield (p. 31).

**Hon. E. F. Whelan (Minister of Agriculture):** Mr. Speaker, the government in the Speech from the Throne once more recognizes agriculture as an all-important industry in Canada, important to all Canadians. We need a nation of properly nourished people before we can do anything else. But agriculture is also one of the largest industries; it keeps the economy buzzing and keeps thousands of Canadians employed in all Canada. It is also one of the most complex industries. This is particularly true in regard to relations between industry, farmers and all levels of government.

The federal government is taking the lead in establishing a national food policy for farmers, for which farmers have been asking for years and years. The objectives of this policy are the basis of Liberal agricultural policies. The government's food policy has been set, first, to make sure that Canadians continue to have an adequate and dependable supply of wholesome food and, second, to ensure that food continues to be available at prices that are reasonable for the consumer and adequate for the farmer. Canadian consumers should not have to spend an unduly high proportion of their incomes in order to get a sufficient and balanced diet. Spending one-fifth of one's income on food is a very reasonable proportion to spend to keep oneself at a nutritional level that is the best in the world. Canada's record has been outstanding because Canadians spend less of their incomes on food than do consumers in almost any other nation in the world.

However, farmers need reasonable prices to provide adequate returns to encourage continued production on a steady basis of the foods that should be produced in Canada. The record in this regard is improving, but in some cases farm prices for some commodities are once again in the vise of the cost-price squeeze.

The third objective of the government's food policy is to develop a continuing Canadian supply and increasing production of those foods that give Canada a competitive advantage for the home market, for commercial export and for international food aid programs.

[Mr. Speaker.]

There are many programs directed toward achieving these objectives. Farmers' net incomes and returns have improved. The net income of farmers in the last calendar year is estimated to be in the neighbourhood of \$3.4 billion, almost twice the net income received in 1972. That is fully 70 per cent better net income than the one record year attained in the Conservative years. Realized net income is expected to increase more than 50 per cent for producers this year over 1973. Production is increasing in many areas. Canadians have a plentiful supply of food and the value of our agricultural exports has been increasing. At the same time, low income families are being helped to meet increased food prices through increased income assistance payments and the indexing of these payments through programs such as increased old age pensions, veterans' allowances, family allowances, and reductions in income tax.

Consumers want assurances of more stable food prices, and producers want increased assurances of adequate and stable incomes. Not all producers have shared in the general improvement in net income. In addition to these basic facts there is also concern about transportation inadequacies, lack of storage and a conscious need for market development and research.

In each of these areas the government has definite plans. We propose to develop new and better price and income stabilization programs for farmers. When farmers have better assurances and guarantees about prices and incomes they are more willing to invest in producing the food that producers want. That, in turn, provides consumers with a more stable supply of food at steadier prices.

The changes that we propose relate support levels to changes in production costs, increase minimum support levels, increase the number of commodities supported, and reduce the length of the base period used in calculating support levels. The farmers of this country are going to be made aware that their labour through a crop season will not have been in vain.

A special national farm income stabilization plan for prairie grain growers will be introduced in times of favourable prices, which for the grain growers is the present time. The fund will be built up by contributions from farmers and the government, and whenever farm income falls below a certain point the farmers will receive payments out of the fund to increase their incomes. The funding operation will smooth the boom and bust cycles that have plagued not only the farmers but the prairie farm economy and the economy of the nation as a whole. I think everyone in all cities in Canada should take note of the fact that when we have a healthy agricultural industry with agricultural prosperity this in turn ensures that the entire nation makes better use of its natural and human resources.

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The two-price wheat system on wheat for human consumption in Canada will be in effect for seven years, guaranteeing farmers a market at a set price at a level farmers never dreamed of even two short years ago. At the same time, consumers are being guaranteed a steady supply of flour, bread and wheat at a steady price. Consumers should know that producers are now contributing