

Agriculture

Canada's agricultural community is very strong. What it needs from government, above all, is a stable environment in which to operate. Increased lending power for Farm Credit is an important element in stabilizing farm financing, but it is apparent to all who deal with the Farm Credit Corporation that it also needs an improved operating budget. For too long now it has been starved of sufficient funding to maintain an adequate staff in its field and regional offices. This necessary area of the public service merits the kind of concern which has been shown for the propaganda arms of the government, such as the Canadian Unity Information Office and certain branches of the Department of Energy, Mines and Resources.

It is clear from the fact that the Minister of Agriculture (Mr. Whelan) has not brought in legislation to deal with the enormous problems facing farmers that he has little clout in the present cabinet. If the Minister of Finance (Mr. MacEachen) will not listen to the Minister of Agriculture, then it is time he listened to reason and recognized that the agricultural sector is of the most basic importance to the economy and deserves to have its productivity enhanced, not destroyed by Canadian government policy.

Similarly, the President of the Treasury Board (Mr. Johnston), regardless of what he may think of the Minister of Agriculture, should recognize the need for an effective administration of existing agricultural programs and should ensure that his cabinet colleagues do not squander on propaganda money which should be spent on programs like the administration of farm credit.

There is one area in which the Minister of Agriculture has recently shown his disregard for the responsibilities he carries, that is, in the area of stabilization payments. Beef producers in my riding and elsewhere who pay as much as \$80,000 a month in interest charges on their operating capital have been told, along with cattlemen everywhere else, that they do not qualify for stabilization payments this year, even though they are marketing cattle below their total costs of production. How the Minister of Agriculture can justify not making stabilization payments when this named commodity is being marketed below the cost of production is an interesting and unanswered question.

One of two things should be explained by the minister. Either he should explain how it is that the prices being received for cattle are too high to justify stabilization payments, or he should explain how it is that he can permit a situation where farmers are producing beef at a loss now and still getting more than 90 per cent of the average price over the past five years. Either way, the failure to pay stabilization on beef cattle is a clear indication that the minister's policy is a failure in the beef industry.

In the hog industry his failure is even clearer. It is also calculated bad policy designed to create discord among the provinces. Presumably discord among the provinces is seen as a source of national unity by the minister's cabinet colleagues. When the hog stabilization subsidy was announced a week or so ago, the minister announced that he would be spending about \$100 million on the program this year. A while ago he

told us he expected the plan would cost about \$146 million. But presumably the minister was told that his ministry was not important enough, when compared with spending money on promoting the Liberal view of Canadian unity, and was told to cut back on the program.

Well, he found an ingenious way of doing so. He has saved \$46 million he expected to spend by cutting some provinces out of their share of the hog subsidy. In particular, Ontario suffers. The press release announcing the hog stabilization payments indicates that hog producers in Ontario will receive \$3.63 per hog less than hog producers in provinces like Quebec on their first 1,600 hogs.

The reason given is that Ontario has a hog stabilization plan and that those producers who are covered by it will be receiving \$3.63 per hog from the provincial government. The fact is that Ontario does not have a hog stabilization plan. It has a weaner pig stabilization plan, just as Quebec has. Market hogs are not covered under the Ontario plan, and weaner pigs are not covered under the federal plan. Clearly, under the legislation, Quebec hog producers are entitled to full federal coverage for their market hogs up to the limits of the plan, and so are farmers in Ontario.

Judging by his press release, the minister appears not to know the situation in his own province. The same lack of knowledge seems to govern his thinking when it comes to Alberta and British Columbia. One can sympathize with the minister's desire to save money, but to try to do so by making unreal and incorrect distinctions among the provinces is not only unfair and inequitable, but it makes a mockery out of the federal stabilization system. Many provinces have their own stabilization plan for hogs because the federal plan is so inadequate, paying only 90 per cent of the five-year average in the preceding five years. Ontario's own plan was brought in after close consultation with federal officials. The minister himself recognized that the federal plan is inadequate when he proposed two or so years ago to bring in a plan guaranteeing 100 per cent of the previous average market price, with producer involvement in the plan.

This plan was shelved, but provincial plans serve the need which the federal government will not serve. Now, through lack of knowledge or something worse, the Minister of Agriculture has made a mess out of the stabilization program in two of the commodities named for stabilization programs. He has undermined the value of provincial programs, since those producers who joined the provincial plan in Ontario—and perhaps those in other provinces—are penalized compared with those who did not join. The minister might object that those in the provincial plan receive the same money as those in the federal plan, but it is not true. The producers who enrolled in the Ontario sow weaner stabilization plan pay part of the costs of that plan directly and would still be behind those who did not enrol to the full extent of the premiums they have paid.

This seems like a clumsy attack on the provincial stabilization programs by a minister who has demonstrated that he cannot run the federal plan with anything like the degree of stability producers need, if they are to operate effectively in