

Livestock Feed Assistance Act

time when there was not much production in eastern Canada, you find that it was a substantial amount per hog or per steer. But now that the numbers are increasing so rapidly, if you look at the last figure for the assistance that is given the livestock producer in eastern Canada or British Columbia, you find that it amounts to 64 cents to \$1 per animal. However, when you look at the total numbers, you find that about \$4.5 million is being spent in assisting feed to Quebec, about \$4.6 million goes to British Columbia, and almost \$4 million to the maritimes. That is a substantial assistance for the livestock industry, and this allows for the comparative advantage to be lost in western Canada.

From talking to our hog marketing board in the province we find that they are very concerned about the loss of a substantial industry in our province. They are saying that the basic reason for that has been top-loading subsidies from the provinces, and when you add to that federal subsidies, it is almost impossible for our industry to compete because the large consumption areas are, of course, in Montreal, Toronto, southwestern Ontario and Vancouver. So we have to ship our livestock without subsidy, after slaughter, to those areas. Consider that a feeder in eastern Canada, given feed freight assistance, given support by provincial governments, and being at the area of consumption, has an advantage over us who, although we have a comparative advantage in feeding the animal in western Canada, must pay full freight to get the slaughtered animal into those markets. Besides that, for some reason which has never been adequately explained to me, there is always a 4 cents to 5 cents per pound difference between the price that an eastern Canadian farmer gets for an animal in markets in Toronto and Montreal and what he gets in markets in Edmonton, Saskatoon and Winnipeg.

If you add up all those factors, it is easy to explain why the livestock feeding and slaughtering industries in our western provinces are in jeopardy. What is the answer? Is the answer to do away with these freight assistance programs? Perhaps it is. If the federal government, under the leadership of the Minister of Agriculture (Mr. Whelan), were able to convince all the provinces to act alike in the way they treat their livestock industries and allow the federal government to deal with the subsidy programs that they consider to be necessary, then we would have no difficulty. But when you have these federal programs in place, and as well have provinces decide that it is their plan and their goal to become as close to self-sufficient in livestock as possible, and even beyond that, and that what we call their top loading programs are added to the federal programs, we find no alternative but to do away with these federal programs until the national government can sort this out. The only other alternative for farmers in western Canada is to ask their provinces to get into the same game. When you have province competing with province on subsidy programs, you can understand the dilemma we face.

The only other opportunity available to us is the export market in western Canada. Here is an area in which the federal government is not prepared to take leadership, as I think it should. The federal government could become very

active in finding other markets for western livestock in order to keep our comparative advantage in the production of livestock. There is a potential there. The population of the world is growing rapidly and the capacity for growing food is not growing as rapidly as the population. As we look into the late 1980s we can expect—and many scientists assure us of this—that it will be more difficult than it is at present to produce adequate amounts of food to feed the world. So we should be looking for more export markets for the livestock we are growing in western Canada.

With regard to the extension of feed freight assistance to the Yukon and the Northwest Territories, I think this is a harmless bill. There are probably only about 200 head of cattle in the Yukon and probably not many more in the Northwest Territories. I can understand the governments in those areas wishing to have the same advantages as other parts of Canada have.

So while I have great difficulty in supporting feed freight assistance as a proposal, I can see the justice of supporting this bill, given that this feed freight assistance is in place and has been operating for a number of years. That is why I give my reluctant approval to this bill.

I understand that the potential for agriculture in the Northwest Territories and the Yukon is there. As was mentioned by other members, there are some 3,000 to 4,000 square miles that have the capacity to produce hay and grain, probably not grain for sale but grain for forage for the production of livestock. Maybe there is a possibility for expanding agriculture in those areas, the greatest potential being in the cattle industry because the lack of capacity for drying hay and the short frost free periods would make it difficult to produce much in the way of feed grains or wheat. So, if we can establish, through this bill, a livestock industry of some sort in the Northwest Territories and the Yukon and get farming going there, that will be fine.

● (2130)

Before concluding I should like to say that I am surprised the Minister of Agriculture is not in his place to listen to the problems we are having with this bill. Many important suggestions have been made by members tonight, so I hope he reads the debate very carefully. Also, I hope he will understand our concern for the depleting livestock in western Canada. When we called for a stabilization price, we were very concerned that it took a number of months to get the statistics in place to allow a stabilization payment. It amounted to very little; it will not assist hog farmers. Alberta provincial government assistance has been required, but it has only been in place for a year. Hopefully the Minister of Agriculture will give the necessary leadership in a country as great as ours to ensure some justice in the subsidy programs which a number of provinces are putting into place.

Hon. Jake Epp (Provencher): Mr. Speaker, in considering Bill C-15 I intend to take a few minutes to place in front of the government some of the views of my area of Canada regarding