

application of dairy quotas. Now, Mr. Speaker, what is at stake in this bill could be the very life of Canadian agriculture and the Canadian nation.

• (5:40 p.m.)

According to a study published by the Agricultural Economic Research Council of Canada, agriculture represents 42 per cent of Canada's gross national product. In the primary producer area wheat, grains and meat products generated over \$9 billion. The food processing industry generated another \$11 billion, and retailing added another \$6 billion. All in all, this amounted to almost \$27 billion since 1967.

Clause 6(1) of Bill C-197, under "Duties and Powers", reads:

The duties of the Council are:

(a) to advise the minister on all matters relating to the establishment and operation of agencies under this act with a view to maintaining and promoting an efficient and competitive agriculture industry.

How will the agency define efficiency? It can only be the value judgment of one or two officials. For whom is the agency to be efficient? Is it for the consumer, for the producer, or the processor? The government is characterised as being bureaucratically authoritative. Bill C-197 will allow the bureaucrats to decide what is to be the goal of any particular agency.

The bill does not declare government policy. It might bring about disaster in agriculture, and it is against the national interest. Supply and market management must be concrete goals to be reached, and strategies to that end must be devised. The bill leaves many questions unanswered. It does not state whether the goal of the legislation is to stabilize farm income or raise it through supply management. This is of immense importance. How is the initial allocation to producers of quotas in any one commodity to be carried out?

How many arbitrary decisions will have to be made? How can these be fairly carried out? How are the transfers of quotas to be carried out? This is a particularly knotty problem, as the dairy commission people learned to their sorrow when in western Canada many of the small producers lost their quotas through no fault of their own. These quotas also made re-entry into the dairy industry in western Canada almost impossible. Under such marketing boards, quotas become a paramount economic feature and not the commodity to be marketed.

Farm Products Marketing Agencies Bill

There are numerous other questions that must be answered and which will be touched upon in the bill. Will small farmers be forced out of agriculture? This bill will have to deal with this question. Will an agency benefit certain producers, large and small, to the detriment of the consumers? It would appear that in many ways Bill C-197 might have the effect of taking 200,000 farmers out of farming units that are declared redundant by this government, as is suggested in the latest government sponsored outlook conference on agriculture. This is to be called supply management. This is the new cliché.

Let me give one example of supply management of this type. In the 1968 crop year, only 27 million bushels of barley were exported by Canada. Yet, in this present crop year a reported 50 million to 70 million bushels of barley will be exported, and already, according to the grain trade, upward of 40 million to 50 million bushels have been contracted for in the forthcoming crop year. This was done by a reduction in the price, and I agree with this. But if we had applied supply management in 1969, we would have grown only enough barley to export on the basis of 27 million bushels. So, you can see what great problems will face any supply management board or agency.

It would be more correct to say that this bill calls for reduction management. In 1968, Canada imported \$1.1 billion worth of foodstuffs while it exported \$1.4 billion worth of foodstuffs. If wheat is excluded, Canada would be a net importer of foodstuffs. The difference between exporting and importing totals has been steadily narrowing for some time. I think this bill will increase the trend toward narrowing this gap, because I do not think it will increase the export of our natural food products.

In the final analysis, Bill C-197, as it now stands, should be rejected. The Bill is secretive because it gives no evidence of the real philosophy behind it, and it does not spell out what group in our society or in our economy is to be helped. Is it the farmers or the consumers? The bill does not state any definite aims of the government. It is arbitrary because it sets out many arbitrary features. In my opinion, this bill will not bring benefits to Canadian agriculture or to our economy.

This bill will reduce the number of small businesses and farmers and reduce the pools of capital that the state will have to manage. Is this government, by means of this legislation and through the white paper on taxation,