

Supply

by an advisory committee made up of livestock feeders from eastern Canada and British Columbia as well as the Northwest Territories and appointed by the governor in council.

I am perfectly aware of the fact that Canadians do not always know the important powers and duties of the board, and that is why I wanted to mention them. I should say as well, Mr. Chairman, that we have the responsibility to take advantage of this debate on supply to remind the duties and powers of the board to our colleagues of the opposition who are not only questioning the *raison d'être* of the Livestock Feed Board, but who also want to see it disappear, as we have been able to hear.

Mr. Chairman, I therefore want to establish beyond any doubt not only the rationale of the board but also its ability to meet the needs of producers in these regions I have mentioned on many occasions. The board is still carrying on several activities. You are already aware of its participation in the area of transportation assistance. You know also that many changes were made to this program in 1976 and that two-thirds of the program have been cancelled in Quebec, and most of it in Ontario. However, funds have been paid to these provinces over five years in order to set up feed grains conservation facilities at the farm level.

When you travel across the country in those provinces, you will note that numerous facilities have been erected, to the point that these farm buildings have changed the scenery. The transport assistance program remains very useful to the maritime cattle producers, and certainly in Newfoundland where there would be no cattle production without that program. It is also very useful in British Columbia, where production costs are very high. The program allows for greater domestic use of western feed grain, and also Ontario corn in some areas of Quebec and the Atlantic provinces.

I would also like to point out that in Quebec, the transport assistance program has been maintained in remote areas such as Saguenay-Lac-Saint-Jean, Abitibi-Témiscamingue and the Gaspé Peninsula. Over these last few years, Mr. Chairman, the government introduced a program to ensure greater storage space in eastern Canada and B.C. This is in three parts.

One program provides for the expansion of flour mill storage facilities. There has been extensive use of that program in the province of Quebec and also, to a lesser degree, in the other provinces. It will improve feed grain storage facilities at the processor level. The other two programs cater to inland elevators. I am told that these programs, especially the new elevator construction program, has met with extraordinary success in eastern Ontario. That program could not have come at a better time, when Ontario was increasing significantly its grain production. I am assured that this increase in the number of inland elevators will be followed by considerably increased corn sowing in eastern Ontario during the next few years. Besides, this program certainly enabled the grain producers to reduce considerably their transportation costs and

consequently add to their revenues. Such a program was called for because livestock producers living on their farms were extremely dependent on a few elevators which had traditionally been used mostly for the export trade.

Mr. Chairman, I hope that these few minutes I have taken to deal with the different aspects of the duties of the Canadian Livestock Feed Board will have proved without question not only reasonably but with certainty that the Canadian Livestock Feed Board has a *raison d'être* and that our government is justified in helping and maintaining it.

[English]

Mr. Reid (St. Catharines): Mr. Chairman, some members might wonder why a representative of an urban municipality should intervene in this agricultural discussion, but all here should be interested in the preservation of first-class soil for future agricultural purposes. The Niagara region is agriculturally a well diversified area; its orchards and vineyards are renowned. It is an exceedingly small part of the country, but it is favoured in many ways. It is favoured by ample precipitation, rich soil and a temperate climate which, together with the determination and the individual initiative of its farmers and growers, has yielded produce far beyond expectations.

● (2300)

However, the concerns of farmers and growers in the Niagara region are echoed all across the country. Issues such as urban expansion into productive agricultural land need to be resolved so that some balance between the two can be preserved. The entire question of what the farmer can expect as an equitable return for his labour must be addressed, for farming is an expensive proposition to undertake. For example, while the consumer price index rose by 95 per cent from 1971 to 1979, the farm price index increased by 130 per cent. For 1979 alone farmers experienced increases of 14 per cent in machinery costs and an additional 7 per cent with respect to labour. These are only a fraction of the total costs which the farmer must bear if he is to remain productive, and many simply cannot meet these costs with the result that every year the number of farms declines by 4 per cent. Canada is losing valuable agricultural land yearly, not through the adversities of nature, but through government neglect and indifference toward the problems of the farmer. Nowhere is this more graphically evident than in the Niagara Peninsula.

The minister knows of this conflict with respect to land use and the competition which exists. So, I want to leave my first question with him: is the minister or the Government of Canada content to leave the preservation and protection of farmlands to provincial and municipal governments and their zoning bylaws, or does the government have a land use strategy which will preserve class one lands, for example, for future agricultural purposes?

Today there are some 900 grape growers working 27,000 acres of vineyards. Capital investment for both vineyards and wine production is now in excess of \$132 million, and the goods and services purchased annually by the industry amount