

Parity Prices for Farm Products Act

We must understand that agriculture is a very important industry, but it is basically entirely different from small businesses. We are often inclined, as the Hon. Members opposite are, to compare agriculture to a small business where productivity and competition are very important concepts.

I have to admit that as far as agriculture is concerned, both concepts are a basic aspect, except that we should never forget that our farmers are faced with entirely unpredictable restraints, the vagaries of nature being the first example that comes to mind. A farmer could very well be productive and adequately equipped, but if nature is not kind to him, his production will be seriously affected. Now if his production is reduced, a scarcity is created and the market reacts according to the law of supply and demand and this remains completely beyond the control of the farmer. That example shows that agriculture as such is quite different from small businesses.

Agriculture is also an industry where the rules of the game are not the same for everyone. Let me refer, for example, to the production of pork in Quebec. We produce an impressive volume of pork in Quebec according to a process probably unparalleled in other provinces. In fact, there is what is called an integrated system. Of course, integrators are usually large corporations which achieve their production through small businesses. It seems to me that something is rather unfair in that process, because integrators very often also sell grain or other products which the producer needs. Therefore, the hog producer and who pays his primary products at specified prices is treated unfairly compared to his neighbour who is free to buy his own products at a substantially lower price. This is another example of obvious unfairness.

There is as well the matter of international markets. How can our small farmers gain access to the world markets? We have had a good example recently when the American Government unilaterally decided to overtax or to tax in a totally unacceptable way the whole Quebec hog production. There again, all these factors contribute to the unfair treatment of farmers compared with almost all the other industries.

In addition, the agricultural producer is at the mercy of consumers and of markets, which are very uncertain. When a food product is too expensive to buy, there is an immediate shift to another product, with the resulting decline in the market and all the effects you can think of.

In the dairy sector, producers need to know in what direction they are going, they need to know the long term policy which the Department has developed and that the Minister has promised for August 1st next. All in all, agriculture is an industry of vital and crucial importance. Let me just illustrate that fact by saying that in a small riding like mine, more than 3,500 people are directly dependent on agriculture.

Agriculture is also important because all Canadians need a lively, dynamic and future-oriented agricultural sector. It is important for our foreign markets and, considering these elements, I think we all agree on the strategic importance of

that industry. I believe that as a Parliament and as a Government, we must allow our farmers to operate under laws and regulations which give them an equal opportunity to gain access to those markets they need so much. Leaving the farmer to fight for himself seems dangerous to me because of all the obstacles he has to overcome.

I could go on like this for quite a while, but let me just ask you to consider the fact that it is impossible to compare a farm operation to a small business operation. The rules of the game are entirely different, farmers need rules they understand and which allow them to plan their crops in the best interest of the industry which, I repeat, is of strategic importance for the economy of my riding and the whole of Canada.

[English]

Mr. Steven W. Langdon (Essex-Windsor): Mr. Speaker, I join this debate for two reasons. The first is a strong sense of concern which has come to me this past winter. Farmer after farmer in my constituency has come to speak about the extreme pressures, the crisis of credit, and the difficulty of making ends meet in one of the most productive agricultural constituencies in Canada. I speak too because I think, certainly in my constituency and in other parts of Canada as well, there is a sense of grass roots excitement and grass roots commitment to change, an approach to try to somehow give farming back the fair share which it deserves in our economy. It is a dynamism which has taken dramatic form in my constituency with the formation of a powerful and exciting group called Concerned Farmers of Essex County. It has brought hundreds of people together for a series of meetings to explore this concept of parity and to draw into a commitment to that concept not just those who are part of the organization itself, but those who are part of the broader Essex County Federation of Agriculture.

There is a sense that farmers in my constituency feel that we are finally asking the right questions when we ask how we can put a system of parity into place. They do not believe there is a simple answer to that question. They know that before succeeding in getting a price that covers their cost of production with a fair rate of return they will face serious problems because of the nature of the international economy and the difficulties of backlogs of credit with which many farmers now live. However, they have a sense that with this kind of concept and a commitment to the concept, it is possible that farmers may finally begin to get some optimism about the future. It is possible that the sons and daughters of our present farm families will finally have a sense of optimism with which they can look forward to the future.

There is a sense that in focusing on price, we are finally getting to the heart of the matter. In talking about the prices that commodities can earn, we are finally getting to the key side of the equation that affects farm households. It is important to deal with credit and the cost of credit. It is important to look at agri-bonds and tax issues, as has been done recently by the Committee on Finance, but it is even more crucial to focus on price.