

better than quote briefly from a 1956 report of a sub-committee on family farms of the Agriculture Committee of the U.S. House of Representatives. Its words express our views very well. The Committee said:

It is the judgment of this sub-committee that the family system in farming, in adequate production units, can contribute to the most efficient, the most economic and the most satisfying operation in a prosperous agriculture. This sub-committee concludes that the nation's farm program must begin with the family farm; that the program should not promote the 'factory in the field' type of farming for except in a few specialized operations there are not values for the nation in substituting a hired labour agriculture for the independent family farm. Specific emphasis must be placed upon the development of our smaller farms into adequate units with resources sufficient for economic production....

We might add that we are not aware of any significant body of opinion among agricultural economists which does not take the view that given adequate organization of marketing, credit and other services the family farm unit can be and is thoroughly productive and efficient from an economic point of view. To preserve the role of the independent family enterprise based on the use of the landowner's own labour must be a fundamental goal of farm policy in Canada.

What happens in agriculture has a major impact on the total economy, and on its buoyancy. The low level of farm income currently being experienced has a depressing effect on the economy as a whole. It must be considered that the farm labour force is larger in size than is the total of the construction industry plus all primary industry other than agriculture, including mining, forestry, fishing and trapping². In considering measures to combat unemployment and stimulate a resumption of economic growth, the great importance of farm purchasing power must not be forgotten. We do not say the farm situation is a major cause of the present economic downturn. But we have no doubt whatever that the low level of farm returns has been a depressing influence in the economy. We also feel that the continued lag in farm returns is a significant block to realizing the economic stimulus necessary for recovery. Measures taken to stimulate the growth and economic adjustment of the economy can usefully and legitimately extend to rural, as well as urban, groups and areas.

In periods of slowdown and significant unemployment in the economy there may be a tendency for labour to back up on farms. We would wish, however, to disassociate ourselves at the outset from any view of the employment problem that might take the existence of urban unemployment as a signal to halt or delay programs designed to facilitate the healthy economic adjustment of the farm economy. Such healthy adjustments, as we will be making clear later in this presentation, involve to a considerable extent creation of training, relocation, and other programs designed to enable farm people not economically employed in agriculture to find better non-farm employment. To suggest that such programs should not be undertaken because urban unemployment exists would be wrong, and, we feel, short-sighted. We have a dynamic economy in Canada and we would view with distrust any proposal which makes unemployment an excuse for failing to move steadily toward basic improvements in the utilization of the Canadian labour force.

² See Table 9 page 16 of Volume 1 in the evidence of the Proceedings of this Committee, November 30, 1960.