

Agricultural Stabilization Act

revelation. I wonder whether that is what the Minister of Agriculture (Mr. Wise) has in mind.

The Budget has provided that for each year, for the next five years, there will be a \$50 million reduction in the funding of Agriculture Canada. I assume, from reading *A New Direction for Canada*, that it will come out of the \$700 million devoted to price and income support.

There is great uncertainty in the agricultural community as to whether the amendments of the Minister will allow the red meat program to go ahead. In fact, the Bill does not provide for the concerns of the Maritimes or the Province of Quebec. We should not only look at the immediate concerns in the red meat industry, but we should look ahead at the demands which the Minister and his Government will make on producers and provincial Governments to pay a third of the costs of stabilization programs for many other commodities which heretofore were either totally, or to a large percentage, paid by the federal Government.

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Paproski): It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The Hon. Member for Algoma (Mr. Foster)—Trade—Steel exports to United States. b) Request that monitoring system be established; The Hon. Member for Gander-Twillingate (Mr. Baker)—Airports—Stationing of RCMP officers at airports; The Hon. Member for Ottawa-Vanier (Mr. Gauthier)—The Constitution—Supreme Court judgment. (b) Consultations with Manitoba Government and Society of Franco-Manitobans—Government position.

GOVERNMENT ORDERS

[English]

AGRICULTURAL STABILIZATION ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Wise that Bill C-25, an Act to amend the Agricultural Stabilization Act, be read the third time and passed.

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, in closing the debate on this particular Bill, I should like to sum up the position of my Party. For several weeks we have been discussing an amendment to the Agricultural Stabiliza-

tion Act, an Act which has been around since 1957-58. It was offered in response to a need in agriculture which had been expressed by farmers for ages, a need to come up with programs which would permit them to remain in business during the tremendous price cycles which occur in agricultural production and pricing.

We in Canada have approached this question from two directions. For some commodities we offered the possibility of national marketing board legislation. Most of the commodities which we produce, other than those under the Canadian Wheat Board or the current national supply-managed marketing systems, have been exempted from the ability to apply under that particular legislation. For example, a red meat producer cannot knowingly set up a national meat marketing agency because there is no room under the umbrella legislation for producers of beef or pork to do so. As an alternative, Governments of the past offered agricultural stabilization programs which in effect took an average of the ups and down of prices over five years and guaranteed producers approximately 90 per cent of that floating or moving average.

This particular set of amendments came about in response to several initiatives which were taken outside the House. The first amendment included a change to designated products. I must point out that there are two sets of products under the Act. Some farmers realize that there are named products, for which the stabilization program and formula are automatic, and that there are designated products that are usually less widely produced products, over which the Minister has some discretion in designating as products. The Minister can decide on the level of pay-out for a particular commodity over a period of time. There has been some difficulty in that regard, in that the old Act suggested that pay-outs had to be based upon the prices of the past year. They ran into some legal problems, thus a minor change was made to make the year a retroactive one so that pay-outs could be made legally under the Act.

● (1730)

The amount of named commodities has been enlarged and extended somewhat with these amendments but mostly what the Act is purporting to do, if we listen to the Minister and some of the witnesses, is to take care of a fear that is in some parts of the farming community that our farm production will be Balkanized because of the interference of some provincial treasuries in the subsidization of agricultural products in their province. This is legal under our constitution, but creates some interprovincial trade problems. That fear was carried forward and provided with some impetus by the fact that some of our trading partners have now begun to interfere with and react to the kind of stabilization policies we have in this country. In particular, the United States of America has moved, through its Commerce Department to put on a countervail tariff of 5.5 cents a pound on pork and about 4.4 cents a pound on live hogs.

The argument that is offered for changing the Agricultural Stabilization Act is that if we have a national program where-