

*Supply*

the farmers of the province of Quebec can see for themselves whether those figures are true.

But there is more to it, Mr. Chairman. What happened is that very valid programs were implemented then poisoned in several cases by blood suckers who saw an occasion to further exploit the farmers.

I will give you an example: in 1972, the federal government raised the grant for hog production to \$5, up to 200 hogs, and the provincial government drafted a policy in that direction. Unfortunately, it happened that some "integrators" took advantage of that program by using those who raised hogs for their own use. They obtained their signature against a fictitious acknowledgment of debt. When the cheques were delivered, the "integrators" gave them a receipt. Many thousands of dollars allotted to the farmers thus went into the pockets of those people. That did not increase the real income of true farm producers. In fact, some jokers have suggested that perhaps that money was used for the October 30 elections; I do not know how it was used but certainly not for the right end anyway. As I said, these practices did not increase the income of true producers.

I think it is about time the Canadian government manages agriculture on a real national basis by taking all means available so that when a policy is developed to help a certain category of producers, the money gets where it should if we want to obtain results, if we want those who are supposed to benefit from those programs to be really satisfied.

Mr. Chairman, I think many things happen without the hon. minister knowing about it; but these misuses of funds do nothing for the government or the producers for whom we carry votes.

Mr. Chairman, I would like the important question of grain to be examined very carefully. Earlier on, a member was stressing the fact that the minister in charge of the Canadian Wheat Board might not have the competence to manage this agency efficiently. I think it might be better if the board were under the responsibility of the Minister of Agriculture (M. Whelan) because he certainly has closer relations with the producers and their associations than does his colleague. These associations and the brief would get a better hearing if the board came under his responsibility. I see the minister is smiling; maybe he thinks he has enough work as it is. However, with his stamina, he would be able to manage efficiently and the whole population, including farmers, would be very happy.

Those are, Mr. Chairman, the few remarks I wanted to make while we are examining these votes so that we could together find a better use and also allow farmers to keep on hoping.

I have received today, as all other members probably have, a brief from the Canadian Federation of Milk Producers. During the question period, I intended to put a question on that matter to the hon. Minister of Agriculture. But since probably more important matters drew the attention of the Chair, I had to postpone until now my remarks on that matter.

I would like to ask the hon. Minister of Agriculture to give special attention to that very serious brief which demonstrates that production costs in the dairy industry

[Mr. Lambert (Bellechasse).]

have increased substantially in 1972, particularly in the last quarter and that they continue to increase.

• (1700)

As it is stated in this brief, the Canadian Federation of milk producers is asking for a 60 cents increase per hundredweight in order to allow dairy farmers to make profits proportionate to their investments and their needs and to attain gradually the living standards enjoyed by other classes of society. Production costs are clearly established; I believe that the figures stated are valid and that we should take them into consideration.

The brief suggests two ways in which producers could make higher profits; it stated also that the government should take direct action to increase the subsidies granted to producers through the Agricultural Stabilization Board. As far as I am concerned, I would support such a measure, because there is a committee studying the trends in food prices, and I believe that if we should pass a different type of legislation from the one we had in the past, we would help both consumers and producers without increasing food prices.

This policy was applied during the war when the government had enacted a measure for the payment of a discount on dairy products. Thus the consumers were not paying any more, but the producer got a discount directly through the federal government. This is very much like the compensated discount which was so well thought out by Major Douglas in his great financial philosophy for a better economy, for a less rigid economy, that would allow the population to benefit instead of being punished by progress.

We have oodles of all kinds of products and we can produce even more. However, in the dairy industry, brakes were put on, as everybody recalls, to adjust production to consumer needs. I say however that they acted on the capacity of consumption. In fact, if consumption is to be increased, a compensated discount should be allowed to the producers, a discount which would not come from the consumers' pockets through taxation but which would be available through the Bank of Canada by means of new credits available to the Agricultural Stabilization Board and based on real production instead of fictional issues.

Mr. Chairman, I urge the Minister of Agriculture to take into consideration the few suggestions I just made, including the change of jurisdiction regarding the Canadian Wheat Board and the possibility of increasing the price of industrial milk, because the producers are greatly in need of it.

I do not want to take more of the time of the House as I know other members have also comments to make on this matter.

**Mr. La Salle:** Mr. Chairman, I am always glad to express my views.

I should like to expound some claims of our farmers in the discussion of these estimates and I fully agree with many other hon. members who have already suggested to the minister some changes that are absolutely necessary in view of the importance of agriculture in the Canadian economy.