

*Egg Marketing Committee Report*

would have the opportunity to learn all the facts—not just selected facts, not just the facts the minister wants us to hear. There will also be an opportunity to look into the new facts which have come to light since the committee made its report.

I should like to review briefly the events which have taken place since the committee presented its report. In December there was an announcement that British Columbia would be withdrawing from CEMA. British Columbia is one of the important producer provinces. Then on January 29 of this year Newfoundland announced that it would be withdrawing from CEMA. We are told that other provinces are about to make a similar move. Why are those two provinces withdrawing? Surely the House is entitled to an answer to that question before it comments on this report.

It is becoming increasingly obvious that we no longer have a national egg marketing plan. Indeed, it is questionable whether such a plan ever existed. Evidence was presented to the committee, from several provinces, to the effect that barriers to interprovincial trade in eggs still exist even after a full year of operations by the agency. And, of course, the principal reason for bringing CEMA into existence was to end the so-called chicken and egg war; to bring down provincial barriers to trade. For example, Nova Scotia eggs could not get to Newfoundland, and British Columbia closed its border to eggs from Alberta and other provinces. The committee hears evidence to the effect that CEMA had set its intervention price, that is, the price which would be paid for surplus eggs, so high that it was, and perhaps still is, an incentive to over-produce.

Then again, CEMA is unable to enforce its quotas and some of the provinces have failed to discipline their own producers. Here I refer to the province of Quebec, Mr. Speaker. As a result, production in Canada is still out of control and CEMA is unable, or at least it was unable up to the end of January, to control the supply of eggs. Last month CEMA announced that it had 40 million surplus eggs in storage. That surplus production was growing by an additional 15 million eggs per week. Here I refer hon. members to the story that broke in the *Globe and Mail* on January 15 last. Shortly after that story appeared, CEMA announced at its meeting in Moncton that it would be reducing production by 10 per cent. What about the present surplus production? Is it now rotting in storage? We are told it has been disposed of. How was it disposed of? Even the Minister of Agriculture was skeptical of that statement when he first heard it.

● (1540)

Fourthly, there can be no supply-management concept unless and until there is co-ordination between domestic production and the importation of eggs into this country. We said the following in our own submission:

The Minister of Agriculture has failed to recognize a crucial feature of the supply-management concept in that his own government failed to implement an effective mechanism of import controls which directly resulted in lack of stability to the producer and still subjects the consumer to fluctuating prices.

The result, of course, is apparent every day. For example, the egg situation in the province of Ontario has been such that a short while ago Ontario producers were forced

[Mr. McGrath.]

to sell eggs at below cost of production, and this was a direct result of the failure of the agency, of the government through the minister, of the Farm Products Marketing Council and of the Minister of Industry, Trade and Commerce (Mr. Gillespie) to control the importation of eggs into Canada, or at least to co-ordinate the importation of eggs into Canada with the domestic supply of eggs. I am sorry that the Minister of Consumer and Corporate Affairs (Mr. Ouellet) is not in the House. He did make one of his rather infrequent visits to the House today, but I am sorry that he has been unable to stay for this debate. Hopefully, the minister will participate in the debate since he does have direct responsibility in this matter.

The Consumers Association of Canada has described CEMA as a mismanaged monopoly. Enjoying as it does the special privileges that it has respecting the combines act, unless and until this particular agency has consumer representation it lends itself to that kind of charge. At the beginning of the present session the Minister of Agriculture promised the following, if I may quote from his speech on October 3 as reported at page 92 of *Hansard*:

Shortly we will be announcing some new appointments to the National Farm Products Marketing Council. These will include a consumer representative, a labour-oriented representative, and a businessman.

Where are these appointments? They were promised the House last October. Under the statute, the Farm Products Marketing Council has direct supervisory responsibility and is accountable to the minister, which of course makes the minister responsible for the day to day operations of CEMA. We were promised consumer representation on the council last October, so why has the government not seen fit to move on its promise?

What about CEMA itself, if in fact it is able to survive and does survive? I believe—many members share this view, including the former minister of consumer and corporate affairs—that CEMA, because of its special position and the special privileges it enjoys, and also because the provisions of the combines act are waived, should have consumer representation on its board. I hope that from this point of view alone we will have some comment from the Minister of Consumer and Corporate Affairs. Indeed, one would have expected the minister to be the champion of cause of consumers if for no other reason than it is in keeping with his responsibility under the statute under which his department was set up. But the reverse seems to be true.

It is interesting to read what the Minister of Consumer and Corporate Affairs had to say when he appeared before the committee. I quote from issue No. 10 of the committee's proceedings. He said:

I am not advocating a consumer representative; I am advocating a federal representative and, therefore, if anybody has to put money in it will not be my department, it will be the federal government.

That is the kind of gobbledegook that we got from the Minister of Consumer and Corporate Affairs during his brief appearance before the committee. But if one thing rings true loud and clear, it is the statement that the minister is not in favour of consumer representation on the Canadian Egg Marketing Agency, or that indeed he does not support the principle of consumer representation on national marketing boards. While talking about consumer representation on national marketing boards, the