BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Baldwin: Mr. Speaker, could I ask the Government House Leader about the business for the rest of this week and next week?

Mr. MacEachen: Mr. Speaker, tomorrow we will call the government organization bill and following that the Canada Development Corporation, Yukon minerals, young offenders and the clean air bills. In any event, regardless of the progress made on these bills, we will regard Monday next as an opposition day.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, this announcement varies a bit from what we had understood the program to be for tomorrow. In light of what has been said, may I ask a question? If we get to second reading of the Canada Development Corporation Bill, will the Minister of Finance, in whose name the bill appears, be here to introduce the bill?

Mr. MacEachen: Mr. Speaker, if I thought we would get to the Canada Development Corporation Bill, I would produce the minister tomorrow afternoon. In my view, it is unlikely that we will complete the government organization bill tomorrow. For that reason, I am not asking the minister to stay for tomorrow afternoon.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed, from Wednesday, February 10, consideration of the motion of Mr. Benson, that this House approves in general the budgetary policy of the government.

Mr. Murray McBride (Lanark-Renfrew-Carleton): Mr. Speaker, when the House rose last night, I was explaining some of the reasons it is important that the agricultural industry should be given a higher priority, not only by governments, but especially by consumers and all Canadians. As recorded at page 3267 of *Hansard,* I had drawn to the attention of the House the high need for capital for involvement in agricultural production and, in particular, that, on the average, a $41,000 investment is necessary to create a job in the agricultural industry in Canada.

Agricultural output in Canada has been increased, using an even smaller labour force. As I pointed out last evening, the proportion of the labour force in agriculture has decreased in 20 years from 22 per cent to approximately 7 per cent. When this percentage is added to the 5 per cent of the labour force that is involved in agribusiness or food processing, we have a total of 12 per cent of the total labour force of Canada directly involved

in this industry. In spite of the fact that the proportion of the population processing a producing food in Canada has continually decreased, production of food or agricultural products has increased. Productivity for all commercial industries in Canada has increased at an average rate of 3.5 per cent per year since 1946. On the basis of a classification into seven broad industry groupings, the growth rate for agricultural productivity has been the highest at 5.5 per cent per year.

Consumers expenditures on food as a proportion of their total outlay is continually declining. In 1967, it was estimated to be 20 per cent compared to over 25 per cent immediately after World War II. The declining proportion which consumers spend on food means that a greater proportion of their total income is available for other consumer goods or for saving. In this sense, I do not think it is a distortion of the facts to conclude that the agricultural industry in general, and the primary producers in particular, are continuing to make a larger and larger contribution to the welfare of the nation by supporting a cheap food policy through the sweat of their brows. Our problems would be fairly simple if we were alone. Unfortunately, a number of other countries have improved their agricultural productivity in the same way at the same time that we have improved ours. As hon. members recognize, if our agricultural products are to compete in the international market as well as in Canada, we must realize that agriculture is a basic industry in the sense that we have to sell outside our borders. If we are going to compete in the international market we must be concerned about how other countries are faring, rather than simply the portion of the Canadian consumers budget allotted to food.

When we look at Canadian agriculture in the context of the world economy, we cannot help but be impressed with the fact that Canada has a vast production capability and a small domestic market. Therefore, if we are to compete successfully with farmers in the United States, and farm producers in other parts of the world, agriculture in Canada must be as efficient and competitive as possible. One thing that firmly assists agriculture in many other nations to be competitive is the significant assistance that the industry receives from governments. The amount of support the Canadian government gives agriculture is about the lowest in the western world. OECD studies indicate that federal expenditures in agriculture in Canada average approximately $286 per active person in farming compared with the somewhat staggering sum of $1,287 for each United States farmer. If we think of that one factor, we will recognize there is a great disparity. There are different points of view with regard to agriculture. I want to summarize three differing points of view from three different segments of our culture.

There are two main problems in Canadian agriculture from the point of view of the farmers. The first is low farm income. The second is uncertainty as to the future. There are, of course, other problems such as instability of prices and incomes, the rising cost of credit, inability to market certain products and so on. The main problems of Canadian agriculture, as seen by agribusiness men, turn