

*Parity Prices*

Bill C-232 is an Act respecting parity prices for farm products. Very simply, parity pricing means that a farmer should receive for the product he or she is selling, whether it be grain, cattle or hogs, a guaranteed price that is based on the cost of production and a decent profit or a decent living wage. That is really all Bill C-232 is asking for and it is really no more than many other people in our society have today.

Many contracts negotiated on behalf of unions contain cost of living clauses. Teachers receive annual increases. Members of Parliament now receive annual increases to our wages and salaries. Even senior citizens receive cost of living adjustments to the old age pension every three months. Bill C-232 only asks that farmers receive a return on their labour and on the investment they make in grain and livestock that reflects the cost of production and a decent living wage so that they may support themselves on the farm.

Bill C-232 is before the House because a group of five farmers came to see me last November after I had held a series of meetings in a number of towns in my constituency. I went around not only to Yorkton and Melville but to towns like Kamsack, Canora, Ituna, Foam Lake, Priestville and many other places. These five farmers came to see me one evening to tell me that they were having a lot of problems. That part of Saskatchewan is not an area in which many farmers are very wealthy. In fact, according to the recent census, the average farm income in my constituency is one of the lowest on the Prairies. Because of that, many people are going bankrupt. In fact, one of the farmers who came to see me that night was a farmer whose property was being foreclosed by the Bank of Montreal.

These farmers came to me with an idea. That idea was parity pricing. It had been talked about in the past by the old CCF, by the Farmers' Union, by John Diefenbaker and by many others on the Prairies back in the 1940s, 1950s and even into the 1960s. These farmers came to me with a written proposal and asked me as their Member of Parliament to present that proposal as a private Member's Bill in the House. I agreed to do that. The Bill saw first reading on April 5, and it is now before us for second reading.

The farmers on the Prairies now find themselves in a difficult situation. The world prices for many commodities are dropping. In many cases, the prices for grain and livestock certainly do not reflect the cost of production, let alone a decent living wage for the ordinary person of the land. On the other side of the ledger, the costs of production continue to rise. The price of land, interest rates, energy costs and things of that sort continue to escalate, forcing many small and average-sized farmers off their land. I see this happen in my riding every week. I see the farms disappearing and I see fewer and fewer farmers.

When I was in a small town called Duff, a farmer told me that when he was going to school about 20 or 30 years ago, there were four country schools plus one village school. The country schools have now disappeared and only the village school still remains. That shows how the depopulation of the rural areas is escalating. I believe a Bill like this one would

help to reverse that trend, because it would mean that a farmer would receive a decent return on his or her investment in a farm and on the labour that he or she puts into keeping that farm going. That is why I have decided to proceed with this Bill.

This Bill is in two parts. I will describe it very briefly because I know that other Members wish to say a word or two about it. Part I of the Bill deals with grain and provides that there shall be a parity price based on 90 per cent to 100 per cent of the cost of production and a decent living wage. It provides that the cost of production shall be established annually by the legislation that is proposed in this Bill. It also provides in a very democratic way that the Wheat Board Advisory Committee shall advise and shall recommend to the Government what that parity price should be. I think that that is very important because I would like to make sure that this Bill and all legislation in this country is as democratic as possible. As well, if the parity Bill is enacted, it would be an offence to sell grain anywhere in the country at less than the parity price. There is a provision in the Bill for a penalty if someone does try to sell grain at a price lower than the parity price; in other words, if someone tries to undercut his or her fellow farmers.

Part one of the Bill is rather simple. The Canadian Wheat Board and the export agency do exist. We do not have any problems with GATT. Part I is fairly clear-cut and is not complicated. In effect, it would replace the two-price wheat system which exists today and would guarantee to farmers that the grain that is sold domestically for human consumption would return a parity price based on the cost of production and a decent return as well as increase the chances of attaining prosperity and a decent income for the ordinary farmer.

The second part of this Bill is a little more complex and deals with pork and beef. What we are suggesting here—I say "we" because I have involved the farmers in drafting this Bill—is the establishment of a national beef marketing commission and a national pork marketing commission. The farmers may decide whether or not they wish to join those commissions. There would be five to nine members on these particular commissions who would oversee the selling of beef and pork in the country. Of course, the majority of those commissioners would be farmers. I think it is very important that farmers do have a majority say in what will happen.

After one particular commission has existed for five years, the Bill recommends that the commission be changed to a marketing board. However, that change would only take place if a majority of the producers in each commodity area vote through a national plebiscite or election for such a board. In other words, the Bill which is before the House today practises economic democracy. It is not the central Government, it is not bureaucrats, and it is not Parliament imposing something on beef or pork producers that they do not want. They will receive a parity price and a national agency. That will be required because of the GATT rules and the trading rules. The producers will receive it only if they want it. The farmers will make that particular decision. I would like to make it very