

*Canagrex*

of Canada, do not amount to much in billions and billions of dollars but they are important to a great many of the small farmers in Canada. They are produced in relatively small amounts in many provinces. As a result of that, producers do not have an opportunity to put all their production together under one roof through one warehouse to know how much they have to export.

The various provinces, being in control as they are of production and marketing by our Constitution, have agencies, many of them with exactly the same powers that Canagrex has except that they can only operate within the small confines of the area of a particular province. They can take the product outside, but if these agencies are only producing a small amount of products not produced in great volumes, such as the ones I have mentioned, to be a legitimate marketing effort they would have to combine with other provinces. There is no methodology for them to do this, and that was the reason for Canagrex.

However, it was very quickly decided, before Canagrex could become useful and competent, that that was not the vision of the future this Government saw. These dreams of becoming exporters of commodities from Canada that are not now well known to importers around the world were, in the opinion of this Government, doomed to failure and have been left as dreams in the minds of small farmers scattered here and there across the country who still attempt to grow peas, blueberries, alfalfa seeds, grass seeds and still attempt to produce maple sugar, syrup and honey. They have no way of combining their production under one agency that can offer them to the best advantage. We have repeated here very early in the mandate of this Government the kind of smashing of dreams that went on in the high-tech industry under the previous Conservative Government when it decided to do away with the Avro Arrow. That plane was very close to being finished, ready to be put into production, but the Government smashed it before it could show a return.

● (1550)

I am not sure that the Members who applauded the killing of Canagrex have much understanding of how long it takes to set up an export agency and get it going. Any exporter could have told them quite clearly that you cannot in a few months put together a crew, record large sales figures and a final balance in the black. That is just not the real world. It may be the mythology which members of the Government are trying to pass around, but it does not wash in the real world.

We had a series of myths being sold by government Members who were offering a series of arguments as to why this kind of facility should not exist in Canada at the national level. They raised the bogey of nationalization. They tried to leave the impression that Canagrex was going to be able to seize private property and take away the right of farmers and processors to own property. They misread all sorts of clauses in the Bill and used scare tactics right across the land. I do not think very many rational farmers were convinced by that, but

it did create a momentum of its own and brought all sorts of strange philosophers out of the woodwork writing letters and calling phone-in radio shows and pointing to all sorts of things they feared from Canagrex. They had no reason to fear those things because they were not in the legislation. Yet it took on a life of its own, fear built upon fear, and pretty soon it came to the end on November 8, 1984, when the Minister of Finance decided that Canagrex would breathe no more. Agricultural producers, however, are still left with a lot of the problems they had before the attempt at putting Canagrex in place. They will continue to have them.

I draw to the attention of the House a recent report on farmers' incomes produced by the Agricultural Council of Ontario chaired by Del O'Brien. What they found is not a surprise to those of us who are close to agriculture, but it may have been a surprise to some of the economists and others who occasionally look at agriculture. They found that even though the value of agricultural products sold from some of these small farms was not great, when you looked at farms of any size and looked at farm families on an individual basis, you found that average income from very small farms right up to the extremely large farms does not vary that much. On those very small farms with sales of agricultural products between \$2,500 and \$20,000, which is a fairly small farm by commercial standards, and there are over 26,000 families on those kinds of farms in Ontario, the average family income was \$25,131. When you look at the very largest farm in Ontario, those with sales of \$150,000 and over, of which there are not quite 5,000, you find that the average family income was \$27,472. There is very little difference.

One of my colleagues has just handed me a note to let me know, just for the benefit of government Members, that Del O'Brien was a Tory candidate in the elections of 1968 and 1974.

**Mr. Blackburn (Brant):** He has learned his lesson finally.

**Mr. Cassidy:** Two-time loser.

**Mr. Althouse:** What they discovered in Ontario—and I am sure we would find the same thing holding true in the rest of Canada—is that farm families must have a certain income and they earn that income most of the time by going off the farm to other jobs. They noted that even those very large farms that generate revenue in excess of \$150,000 often have one or more family members working off the farms as well.

The reason I bring this up is to point out that many of these smaller farms are operated by people who want to become full-time farmers but, because of the pressure of economic forces, are forced to earn a considerable amount of their income off the farm. Yet they tend to be the kind of people who experiment, who produce experimental crops, who get into new areas of production which were not thought of 10 or 15 years ago, areas of production which do have an opportunity for expansion and which could be exploited in international trade terms. However, they are very small operators, as you will see,