

Dairy Policy

have always believed that the government was dishonest when it imposed this levy after having made milk producers dream of a reasonable price.

We also speak of the necessity of having several million dollars for storage costs. The brief states very clearly that producers cannot absorb these costs which are very high. Once again, if we have surpluses and storage costs, it obviously comes from different factors. The hon. member for Lotbinière (Mr. Fortin) spoke earlier of the establishment of an agency which would be responsible for the distribution of our milk products. I think that makes great sense. I think we should set up these agencies as soon as possible. I also think that if the government had taken its responsibilities with regard to the European Economic Community, our producers would not be facing these problems today. Of course, I do not hesitate to ask the government to pay the storage costs in full and with an extra effort, to ensure a better distribution of our products, a better control of our imports. At the same time, we could reduce this surplus or those products in storage today, and as a result, reduce storage costs.

● (1520)

Mr. Speaker, I know our time is always limited, and I will end my remarks, leaving it to my colleagues to put the best possible arguments to the minister and to ask him whether it would be possible today, in view of the presence in our galleries of several people interested in dairy production, not to let them go back to their respective ridings, to their respective parishes without a spark of hope, or with their wish unfulfilled.

I think that on the eve of the announcement of the dairy policy, the Minister can answer rather positively in order to satisfy those who came here, and this is not the first time. This always means additional expenses because measures are not taken on time. We have to be sure that the coming year will be much more interesting. The Minister could allow them to look forward not only for a way to survive but for an opportunity to live decently like any other worker or professional in our society. To achieve that, he will have to answer, to a great extent, to the brief submitted by the Agricultural Producers' Union. I did not have time to read it now. The Minister got it like all other hon. members. I think this brief is presently acceptable, not only if we are going to guarantee the milk producers a minimum income, but also for the future of our dairy industry, if the government really wants this industry to advance in the interests of all Canadians. I dare hope, Mr. Speaker, that by asking the Minister to consider the brief submitted by the APU, I am the spokesman of all hon. members in this House as well as all milk producers of our country who ask for this minimum, for those guarantees, for the betterment of an industry which should and must survive. I hope the Minister will answer the questions which are found in this document.

[English]

Mr. Arnold Peters (Timiskaming): Mr. Speaker, this would have been a good time for one of my colleagues to have written out a few words for me in French, but I hasten to add that I read as badly in French as I do in English, and I would not want to subject anyone to that.

[Mr. La Salle.]

I wish to congratulate the hon. member for Lotbinière (Mr. Fortin) for the speech he made this afternoon. He spoke not only of the problem which affects the farmer, but also talked about the larger problems of the role of the dairy industry in relation to world food supplies and our inability to handle that in any way, shape or form.

In the Standing Committee on Agriculture during the last few days we have been listening to a report by the National Dairy Commission on this subject, and after listening for several meetings I am of the opinion that it has done as good a job as possible, considering the direction it has been given by the minister, the relationship we have with the provinces, and the jealousy with which they exercise control over each provincial industry.

That still leaves the farmer knowing he is not getting a reasonable return for the work he is doing, and he is not receiving the benefits of the increases in production per unit which he has been able to implement over the last few years. For that reason we have an obligation to see that this industry, which is so highly controlled, highly dependent on commercial markets within our country and highly dependent on our international trade structure, is given every type of assistance possible so that it can remain in business.

Three or four years ago Canada was facing a desperate shortage of dairy commodities. We were importing butter and cheese in sizeable amounts. There were a number of small industries coming to us in Ottawa saying that there was not enough milk for them to operate their businesses and that they would have to go out of business. In asking the farmers to increase their production at that time, the federal government and provincial governments were offering them subsidies and all kinds of inducements to go into that type of operation. Only this past year have we seen the milk marketing quota committees being asked to reduce the amount of milk they were putting on the market during the year period because of the surplus.

The argument has been used this afternoon, and I am sure it will continue to be used—it is a bona fide argument—that in asking for a contractual link with the European Economic Community we put the dairy industry on the block for trading negotiations. We said, and the minister is reported to have said in November of last year, that in effect the government dairy policy as now stated calls for an administered shrinkage of the industry through, first, allowing imports to capture a share of the Canadian market equal to not less than the equivalent of 10 per cent of manufactured products; and second encumbering the consumer of dairy products with the full cost of dairy products by removing the subsidy over a number of years.

What we were saying was that if we were going to get into that European market, we were going to do it by allowing industrial production to come into this country at the expense of the dairy industry, we were going to relate our two industries without our knowing how the European common market subsidizes that market, and we were going to allow the elimination of our subsidies in this country for the benefit of our international trade in that European market.

The difficulty we have maintaining full production in this country which can be purchased at the full price, without the farmer having to subsidize to a very large