

*Supply*

agriculture plays an important part in the economy of my riding.

Many farmers are concerned about their future and they have made it known in the brief presented recently by the dairy farmers of Canada to the minister and the department. Yesterday the member for Champlain, I think, talked about a rumour to the effect that the government was intent on putting an end to these subsidies of \$2.66 and the minister said that he was not aware of any such recommendation. I would have preferred him to say that no such measure was being considered and that milk producers would continue receiving these subsidies.

The minister said a few times since the beginning of this debate that he regretted not having time to give answers. I am going to try to give him time to answer for the official record. He may rest assured, Mr. Chairman, that I will convey his answers to the farmers of my riding and that Quebec farmers will also be interested to learn about them.

Could the minister tell us right now if these subsidies to dairy producers are not going to be maintained?

[English]

**Mr. Whelan:** Mr. Chairman, I have told two hon. members today, one during the question period and just recently the member for Algoma, there is no truth to that whatsoever. The Treasury Board has approved the program as of Monday this week for this coming year.

[Translation]

**Mr. La Salle:** Mr. Chairman, I should like to thank the minister for his reply.

The dairy farmers of Canada are also concerned. In 1975, the federal government announced the implementation of a policy to increase prices comprising a formula for adjusting the income of producers to production costs.

Can the minister tell us today whether or not this policy will be maintained over the long term, since the dairy farmers of Canada stress the importance for the government to commit itself to helping producers over the long haul? Can the minister assure dairy producers that formula pricing will be maintained? For how many years will it apply? I am not sure I can put the question to him in those words, but it does seem that the dairy farmers stress the need for a long-term commitment in that regard.

[English]

**Mr. Whelan:** Mr. Chairman, if only all agricultural producers in the world had been served as well as the dairy producers have been served under the Canadian dairy policy. I know of no other group of dairy producers in the world who have the kind of long-term dairy policy Canadian producers enjoy. It is one which has been there for many years. It is reviewed every year and unless there is going to be some drastic change they would be notified in due time. There is no suggestion by the dairy producers or by the government at this

time that there be any kind of change. It is under review. It is an agreement we made when we established the long-term dairy policy that it would be reviewed from time to time and that is being done at the present time. They would have to go over all the workings and ramifications of this dairy policy. Almost everyone who examines the dairy program run by the dairy commission is complimentary.

We have had people from Japan, from France, from Switzerland, from West Germany come to see this program which is managed so well. I think we are the envy of the world. In practically every other part of the world where dairy production is of any significance there are problems which supersede ours. They are mismanaged in every way imaginable. Even Japan has dairy surpluses and does not know what to do with them. Ours is the best managed of any dairy program in the entire world.

● (1720)

[Translation]

**Mr. La Salle:** Mr. Chairman, the minister has said time and time again that Canada has the best system in the world. I am not in the mood to discuss that at this time; I am merely concerned with the interests of the dairy farmers of Canada. His colleagues, I am sure, agree with me and would like to know whether or not the government intends to maintain the formula pricing. I do not want the minister to tell me again that he has the best system in the world. We know things are working out reasonably well at this time. I merely want to know, for the benefit of the dairy farmers of Canada, which comprises all dairy producers in the country, whether the government intends to keep the formula. The minister did say "unless there is going to be some drastic change" so right away dairy farmers worry. So, I would like him to tell us whether or not formula pricing will be in effect for one, two or three years. That is the question of the dairy farmers of Canada; it is not mine, Mr. Minister.

[English]

**Mr. Whelan:** Mr. Chairman, as the hon. member knows, formula pricing has been here since 1975. I do not know if the hon. member is trying to create discontent, trying to start a rumour or what have you, but no one has suggested that formula pricing should be changed, not this minister nor any other minister in this government, as far as I know. There has been no suggestion that formula pricing be changed.

People in other parts of our society have a much more fixed situation than do the dairy farmers of Canada. When we give them formula pricing, it is not any greater than in many other parts of our productive society, nor even some parts of our society which are not so productive with respect to indexing the cost of living for senior citizens, people on disability pensions and others. The formula pricing we have for our dairy farmers is better than that in any other part of the world. The hon. member asked me not to repeat that, but I do so because other parts of the world do not have such a good system for their dairy farmers.