

Parity Prices for Farm Products Act

at the receiving end. Much of the money went to transportation, storage agencies and the construction industry. The U.S. experience illustrated that parity prices were not effective in providing price support to farmers. It cost billions of dollars but only a small portion of that went to agricultural producers.

Bill C-221 is aimed at helping Canadian grain and oil seed producers who are experiencing a very difficult time. As I indicated earlier, I think that is a proper objective. The producers in the grain sector are in a cost-price squeeze where market prices are falling and input costs are rising.

As an example, it is no secret that wheat prices have fallen about 30 per cent in the last year alone. This is due largely to an international trade war, particularly between the United States and the European Economic Community. However, input prices have continued to climb at a fairly substantial rate. Grain farmers on the Prairies are expected to experience a net decline in farm income this year, although this decline is being offset to a large degree by payments under government programs which our Party has initiated over the last number of months.

The solution to the farm income problem would not be found in Bill C-221. The U.S. experience already indicates that eventually it would be detrimental to the agricultural industry. The idea of parity pricing does not take into account new technology, efficiency of production, market signals and the need for international product marketability. It ignores the dynamic and often unpredictable nature of the agricultural industry due to diverse forces and conflicting interests regionally, nationally and internationally.

Over the past years, the farm sector in Canada has been effectively served by programs that increase the efficiency and competitiveness of farmers in the market-place. A legislated solution such as this Bill will not be responsive to constantly changing circumstances and would therefore result in high costs with declining effectiveness.

One could argue that the national supply management agencies which are in place for dairy and poultry products serve that industry well and that the same arrangement could apply to grains and oil seeds. However, these agencies have been established at the direct request of the producers themselves who continue to recognize the fluctuating nature of the markets. They have built-in flexibility to protect both producers and consumers. Bill C-221, however would not allow the same conditions for the grain and oil seed producers.

To be efficient and competitive, the market forces of supply and demand must continue to prevail. That has always been the fundamental philosophy behind agricultural policy in Canada, a philosophy shared by all provinces as signatories to the recently developed national agriculture strategy.

The Government has been working with provincial Governments and the farm industry to build a network of programs to strengthen the productivity, efficiency and competitiveness of the agricultural industry while providing farm income protection. Special initiatives have been introduced to help

producers who are experiencing difficulties. In the long run, we believe that this approach will provide the best protection against the cost-price squeeze experienced by the Canadian agricultural sector.

The support programs provided for Canadian grain and oil seed farmers include the Special Canadian Grains Program which will provide \$1 billion this year to assist grain and oil seed farmers. Payments are being made under the Agricultural Stabilization Act to farmers affected by lower prices. Payments of close to \$55.8 million will be made for corn, soybean and barley producers for their 1985-86 crops. The Western Grain Stabilization Act has been amended to allow interim payments and an interim payment of \$705 million was made in 1986-87 for the last crop year. As well, a tripartite stabilization program for the red meat sector has been established with six provinces participating. The farm fuel tax rebate program exempts farmers from federal sales and excise taxes on farm fuels. A five-year, \$80-million interest rate relief program has been designed and implemented to lower interest costs for more than 5,000 Farm Credit Corporation borrowers.

I could go on to indicate other ways in which the Government of Canada is tackling this problem. In short, and in conclusion, it is my view that Bill C-221 would not help but would perhaps aggravate the situation. I am afraid that, while it is well intended, it would be difficult to support at this time.

[Translation]

Mr. Jean-Claude Malépart (Montreal—Sainte-Marie): Mr. Speaker, I want to congratulate my colleague from the NDP for putting this legislation before the House. We, in the Liberal Party, agree that it is useless to go on talking about that matter to pass the time. I would be prepared, if Conservative Members want to agree to this Bill, to stop talking right now and pass it. Otherwise, I refuse to take part in that parliamentary hypocrisy that Conservative Members are trying to get us into because people who are listening to us know the procedure. This is the Private Members' hour, during which Members of Parliament introduce a Bill that seems a good one but instead of voting for it . . . I am looking at the Member from the Quebec region who spoke earlier for a very short time. They are talking out this Bill with their empty statements. Mr. Speaker, I am prepared to sit right now and ask that we vote to pass this legislation. I think it is good for our farmers. It is useless to go on talking about it. If we all agree that this is a good measure, let us vote for it right away.

Mr. Gérin: On a point of order, Mr. Speaker.

Mr. Deputy Speaker: The Hon. Member for Mégantic—Compton—Stanstead (Mr. Gérin) on a point of order.

Mr. Gérin: Mr. Speaker, the Hon. Member for Montreal—Sainte-Marie (Mr. Malépart) makes me laugh. I will tell you why, Mr. Speaker, and you will agree with me that he does not need to tell everybody that he talks for the sake of talking. For the past two years and a half, I think that all Canadians have realized that whenever he rises in the House, the Hon.