

Proceedings on Adjournment Motion

ment of Agriculture in Manitoba stated, as reported in the *Manitoba Co-operator*:

—his department is concerned when a quota is not used by a producer who has gone out of the business. This means, essentially, that the quota has been lost to the province and, if too many quotas are lost, the dairy industry in Manitoba will suffer.

I paraphrased that statement almost in toto in the question I asked today. I refer, also, to the report issued by the Department of Agriculture on the congress taking place at the moment. The report, dated November 25, states:

The National Dairy Council of Canada warned that a continuation of the present federal government policy "may be expected to result in further production declines and could lead to an over-all shortage of milk.

It states, further:

The council says "it would seem prudent... to refrain from adoption of policies which would further diminish production and to press forward as rapidly as possible with new product development, sales promotion and educational programs, and pricing policies designed to encourage a maximum consumption of dairy foods."

I think that is a very responsible basis for the question I asked today. It may be true, as the minister implied, that there is no drastic drop at the moment and there is no drastic redistribution as between east and west, but when the policy was first introduced there was a drastic drop and a drastic transfer of quota allocation between east and west. This is another example of the failure of the government to take into consideration the regional differences that exist in this country, Mr. Speaker.

I refer, also, to the Financial Outlook Bulletin issued by the government, which points out that in 1967-68 there were 165,000 producers in the dairy business in Canada, and in 1969-70 the number of producers had dropped to 114,400. So there is a major problem. In the west it has meant that 10,000 farm families have been driven off the land.

There is a complete failure by the government to take into consideration the social and human aspects of the problem because of their desire to deal in an arbitrary manner with the supply-management problem. This is causing a decline in rural communities and it is creating problems in urban communities. This policy was reversed when it was found to be contributing to the decline in the rural situation. I urge the minister and the government to follow the recommendations of the Canadian

Agricultural Congress and to establish a realistic policy for the dairy industry of Canada which is facing a real crisis.

Mr. Marcel Lessard (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, as the hon. member knows, the Minister of Agriculture (Mr. Olson) is president of the Agricultural Congress. The hon. member for Brandon-Souris (Mr. Dinsdale) appears to imply that it has been the deliberate policy of the Canadian Dairy Commission to transfer subsidy eligibility quotas from western Canada to eastern Canada. This is not correct. Subsidy quotas have never been allocated on a regional basis. They are now, and always have been, allocated on the basis of individual farmers, and the rules and procedures are, and have been, the same in all parts of Canada.

To deal with the charge made by the hon. member it is necessary to go back over the history of subsidy quotas. These were first issued in 1967. At that point they were based on each producer's deliveries in the preceding year, with one important exception. The exception was that a shipper who had delivered less than 50,000 pounds of milk, or 1,750 pounds of butterfat, in 1966 was given a quota for 1,750 pounds of butterfat in 1967. Because of the large number of small shippers in the Prairie provinces, this resulted in the total of the quotas given to producers in those three provinces being very much greater than their deliveries in the previous year.

In 1966, manufacturing milk and cream shippers in Alberta, Saskatchewan and Manitoba had delivered 64.4 million pounds of butterfat. The total of the quotas given to those producers in 1967 was 126.8 million pounds of butterfat, almost twice as great, in total, as their deliveries in the previous year. In Ontario and Quebec the same class of producers had delivered 267.6 million pounds of butterfat and they were given quotas for 1967 for 299.6 million pounds. In brief, shippers in the Prairie provinces were given 1967 quotas 97 per cent greater, in total, than their total 1966 deliveries, while the 1967 quotas for Ontario and Quebec producers were only 12 per cent more than their 1966 deliveries.

Mr. Speaker: Order, please. I regret to interrupt the Parliamentary Secretary, but his time expired at least a minute ago.

Motion agreed to and the House adjourned at 10.20 p.m.