Grain Prices

production. That is a basic philosophy of equity with which I think everyone in this House could agree.

If it should create hardships in some areas, then as a collective society we should be willing to spend as much as \$200 or \$300 million perhaps to subsidize two or three basic foods in order to provide Canadians with proper nutrition. That would be a tremendous investment. One can cite study after study to endorse the proposition that good food means good health. The Food Prices Review Board pointed out that the need for 40 per cent of our hospital beds could be tied in to improper diet and improper nutrition. It would be a worthwhile investment to spend a few hundred million dollars to educate people on the importance of proper nutrition and to subsidize production of some of the basic foods.

It might be a good idea to impose a higher tax on some junk foods as a means of persuading people not to drink Coca Cola or some of the heavily salted chips or heavily sugared cereals. These are abundant in the marketplace and widely advertised in magazines, and their appeal is directed mainly to children. This makes me, as the parent of a six-year old, very angry. When children go to a store they want to pick up a breakfast cereal which is almost 60 per cent sugar.

I think it would be an excellent idea to tax these junk foods very heavily. I am in favour of heavy taxes on tobacco and alcohol. A tax on junk food could provide a hefty subsidy for milk, bread, and one or two other basic foods. It is the pocketbook that motivates most people, and in this way they could be motivated to purchase the basic foods instead of cokes, salted chips, and sugared breakfast cereals.

Mr. Knowles: Like my arrowroot biscuits!

Mr. Nystrom: Yes, like my friend's arrowroot biscuits.

These are a few ideas that I think the House should consider, Mr. Speaker, that would help farmers and consumers and protect the health of Canadians. The consumer and the farmer are not enemies; they are not contradictions. I think we can help both and at the same time build a nation that is physically healthy and more productive. People would pay more taxes. The cost of unemployment insurance benefits, welfare and medicare would be less, so they would make a better contribution to society.

If we were to ensure sufficient income for our farmers it would be one way to entice young people back to the land. This would in turn ensure a viable rural community with towns and villages to serve it. I think all of that can be done through proper planning.

In ridings such as my own or that of the hon. member for Wetaskiwin, farmhouse after farmhouse stands abandoned. There are many cases like those he told me about, where a farmer may have two or three or four quarters of land and old equipment that needs replacing. But with such a small holding there is no way he can earn enough to buy new equipment. What usually happens is that he sells out to a bigger farmer who can afford to purchase larger equipment. Eventually he too sells out to an even larger farmer. The time comes, then,

when there are only a few farmers in the neighbourhood and they are not enough to support a farm machinery dealer, a general store or co-op, so they start consolidationg. The result is fewer communities, fewer services, fewer people, and we find that control rests with those few people.

What is the logical consequence of all this? Perhaps our rural communities will become like those in Colorado where a few large farms take in townships, or perhaps a few large corporations will eventually control farming as they do the farm machinery business, the auto business, the oil business and many others. That is neither healthy nor desirable in terms of giving people meaningful jobs and a decent life in a rural society.

Those are the things that I want to say, Mr. Speaker. I hope hon. members will think about some of them and that we can make substantial changes to our society and our lifestyle and reflect on where we are going. These alternatives would not cost the government any more money or build up larger deficits. They would be a real investment in a better and more decent way of life for all Canadians.

Some hon. Members: Hear, hear!

Mr. Jim Peterson (Willowdale): Mr. Speaker, I am happy to speak on this motion which deals with setting a floor price for cereal and other oil seed crops. This floor price will be based on the cost of production. The hon. member for Wetaskiwin (Mr. Schellenberger) indicated that his objective is to ensure that Canada has enough of these crops to meet its domestic needs first of all, and secondly, enough to meet our export obligations.

I do not think any member of the House would disagree with these objectives. We want to have sufficient production and we want to ensure that our western farmers remain viable and healthy. We listened with interest when he outlined a number of problems. One which he outlined very dramatically, and which the hon. member for Yorkton-Melville (Mr. Nystrom) also referred to, is the difficulty of the cost-price squeeze which affects all farmers in Canada. So there is no question about the objectives and no question about what he wanted to achieve for farmers in Canada.

I should like to ask why this should be limited to wheat farmers and oil seed farmers, however. Why should it not be extended to everyone in the farming community? The principle is established.

As practical politicians we have to use the means at our disposal to deal with this very difficult and important topic. We might consider the status of the grain industry in Canada at the present time, for instance. Grain ranks third in production amongst our industries today. We stand second to the United States in terms of international grain trade and, of course, the United States has more arable land than we do. That does not mean that in the decades ahead we should not make every effort to create more arable land in Canada. A multitude of problems face the world in terms of agriculture. And, as one of the most fertile countries in the world, we have a responsibility not only to help people at home but also in