

Livestock Feed Assistance Act

front it would provide stability to the area and help it to become self-reliant.

There is another area I should like to touch on briefly. We have to be careful that we do not attempt to subsidize the production of everything we have some chance of producing in this country. When this bill was before the agricultural committee a couple of weeks ago I attempted to make this point. Somebody said, "What is wrong with Newfoundland having a beef industry?" Well, there is nothing wrong with that provided it could be done at a reasonable cost. But simply because the rest of the country has a beef industry seems no reason why Newfoundland should have one if it does not possess the resources or the land mass which are needed to support such an industry. I tried to point out that Manitoba does not have a deep sea fishing industry but that is no reason for us to attempt to establish one.

The problem with subsidization is that if it is done in such a way as to encourage production in areas of the country which are less efficient than areas where production is traditionally established, it hurts our capacity to produce in total. Therefore, as a country, we have less to distribute. Again, it seems to me we should be looking at this bill not only in terms of assisting the Northwest Territories to develop a livestock industry based on feed grains but in terms of the potential of the whole industry to become self-sufficient.

I should like to refer to a speech the Minister of Agriculture (Mr. Whelan) gave to the British Columbia Cattlemen's Association on May 23. I have to admit I agreed with what he said—sometimes we do, sometimes we don't. With regard to stabilization programs he made this point:

British Columbia is a wealthy province with revenues derived from many areas besides agriculture. Right now, B.C. is stabilizing agricultural production and farm income at levels the less fortunate provinces simply cannot afford. When times are hard, British Columbia farmers will be able to survive and end up taking over markets lost by farmers in less wealthy provinces.

Earlier he made a point which it seems to me could have been made before the quotation I have just read. He proposed a solution to what I would consider to be a developing problem. He said that he remained committed to a policy of harmonizing stabilization in supply management programs across Canada and that this is essential to ensure the future of Canadian farm families in all of our regions.

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I think both those points are important to emphasize, because when we subsidize the movement of feed grains off the prairies it means that with the movement of that feed grain we also take the production of livestock. If in fact the livestock we are subsidizing to be produced in other areas of the country can be produced on the prairies, in this case more efficiently than in the north, we are taking away production opportunities and therefore jobs and income from producers on the prairies, and I submit very strongly that that is where this kind of production is carried out the most efficiently in this country.

This relates somewhat to what is going on right now in western Canada in terms of the dry weather. It seems to me

that we are going to be in very serious shape as far as feed supplies for our livestock industry in western Canada is concerned. We may well be in a situation where we do need some help on an emergency basis for our livestock industry in western Canada, and if what we are doing now is subsidizing and encouraging the movement of feed grains away from the prairies and hindering further the production of livestock on the prairies, it seems to me that we could be compounding the problem in terms of maintaining production where it has been done the most efficiently in the past in this country. That is something which I think needs to be looked at.

The minister makes the point that B.C. is a wealthy province away from agriculture, and I have to agree with him. When I look at the annual report of the Canadian Livestock Feed Board, which is the body charged with administering the feed freight assistance under this program, I see that British Columbia has received \$4.5 million under this program, which is more than any of the other provinces or areas of the country have received under this program, and it seems to me to be inconsistent with a policy of maintaining equal opportunity across this country when we, as a federal government, can subsidize the movement of feed grains into British Columbia while at the same time the B.C. provincial government, by the minister's reckoning, has a very expensive and a very favourable stabilization program for agricultural production in the province of British Columbia.

That, to me, is something which needs to be addressed by a strong federal government, and I submit that if we are to have a strong federal government this is one of the areas which could be looked at. It is equally as urgent for us in western Canada as some of the grievances of the people of the province of Quebec.

When we talk about top loading, we simply mean that any stabilization programs which the federal government has administered in most cases equally across the country. That provides a basic level of stabilization for the provinces. However, when we are looking at provinces like B.C., and I think in some cases the province of Quebec, if on top of this basic level of subsidization that the federal government has, the provinces then are able to come in on top of that and add their own incentives and encouragement to production in terms of provincial stabilization, we get a further distortion of the production patterns that we have traditionally had in this country. That seems to me to be a very serious matter in this country, and it is a growing problem which needs to be looked at.

The Canadian Livestock Feed Board, as I said, is the body which is charged with administering feed freight assistance. Several of my constituents have complained to me about the way the Canadian Livestock Feed Board is able to price feed grains off the prairies. In fact there have been cases recently where it has been equally as cheap for producers in eastern Canada to buy feed grains off the prairies as it has for our producers on the prairies. This is something again which we find very hard to accept. We need a healthy livestock industry.

The livestock industry in western Canada has traditionally been a buyer of close to half the grain grown in my part of the