

Supply—Agriculture

Mr. Horner: That does not include the communist countries.

Mr. Olson: We have some information on them, too. Unless there is a higher level of agreement in the international field with regard to co-ordinating national policies and to adjusting some of the incentives to give consideration to the subsidies, these long term projections in so far as agriculture is concerned are not very optimistic for some commodities. There are some commodities of course where things are somewhat easier. With regard to dairy products, for example, and cereals, there are some very severe problems, unless some political decisions are reached to change some of these incentive subsidy programs. I have no fear for Canadian agriculture. We can compete on a practical basis with anyone in certain crops that we grow well. I am deeply concerned about competition between national treasuries in connection with these subsidies.

I will be the first to admit, because I am directly involved and probably spend more hours than anyone else in this house on the problems of agriculture, that there are some very difficult problems. For example a reference was made, I believe by the hon. member for Saskatoon-Biggar, to the outlook conference which was held in Ottawa on November 25. If you took all the documents and made a summary of them you would find the outlook conference concluded that Canadian farm income cash receipts will rise, because of increased returns from the livestock sector. They concluded also there would be little change in cash crop returns. So far as crop insurance is concerned, the coverage taken up in 1969 is expected to increase. So far as seed costs are concerned, there is likely to be no increase in expenditures for seed. Of course, we have had above average production of wheat, and this is good.

On the marketing side, we admit that there are some problems. As I said before, for the first three months of this crop year our exports were up 25 per cent over the same period a year ago.

The outlook conference indicated that corn production in Ontario and Quebec will continue to rise. It also indicated that, with respect to apples and fruit, prices should be up, this because of some smaller crops. Increased marketings of honey are cutting into supplies, but the indication is that prices will strengthen in 1969.

[Mr. Olson.]

● (9:30 p.m.)

In regard to processed fruit, packs were lighter and higher prices are expected. So far as processed vegetables are concerned, except for tomato products and perhaps peas and corn, prices will likely be stronger. With regard to sugar beets, a stabilization payment on the 1968-69 crop is likely, and grower returns may average above the support level.

As far as beef is concerned—and this is one of the bright spots—beef supplies in 1969 will be higher than in 1968, but a continued strong demand will sustain prices. With respect to hogs, marketings in 1969 will be below the high 1968 levels, although it is not expected that prices will rise very much above the present levels. However, they are at significantly higher levels than they have been for some time.

Prices of lamb and veal are expected to remain relatively high. Production of chickens will likely rise at steady prices, without any break in those prices. We anticipate a further increase in the demand for turkeys, which is expected to warrant a 5 per cent increase in production for the next year.

As far as eggs are concerned, there are reduced marketings and higher prices are likely in 1969 until mid-year, when there may be some seasonal decline.

So it is not all dark clouds on the horizon as far as agriculture is concerned. I do not want anybody to say that I said "You never had it so good"; but if hon. members are going to be objective in looking at the whole agricultural picture they must admit there are some reasonably bright spots, along with the troubled areas.

I have already trespassed on my time, Mr. Chairman, but I hope hon. members will not mind if I take two or three more minutes to answer the points they have raised.

The hon. member for Bellechasse suggested that there be a substantial increase in the estimates for the Department of Agriculture. I would be the last one in this house to disagree with that. However we must bear in mind that this has to be balanced against the needs and requirements of all other sectors of the economy. As far as the estimates are concerned, they are up slightly from the estimates for last year.

I should like to thank the hon. member for Fraser Valley East for his very constructive remarks.

Some hon. Members: Oh, oh.

Mr. Nowlan: Explain.