

give rise to serious difficulties for milk producers, that is the minimum income. I think it is fair to demand for them the same as for any other individual, and we admit it. All workers, through experienced labour unions, have succeeded in making gains on certain points.

● (1510)

Now if we consider our facilities, I would like to say a few words on that matter. First, at the level of my constituency where that industry is important. I know that some other hon. members will give their views on national conditions.

For us in the province of Quebec, it is a quite important industry at the agricultural level, the most important moreover, and we are increasingly trying to promote more than ever before the dairy industry in that province. Therefore any policy which does not meet those minimum recommendations can be and will be quite prejudicial, especially to Quebec producers and to the Quebec economy, since that industry in a very important part of the economy.

Last year, as I recall, Mr. Speaker, and I regret to have to remind the minister of this, because for a whole year we have made these comments in this House where numerous subjects have been discussed. It cannot be said that everything is going well. There are problems in many areas. More and more, we feel that the government cannot find or does not want to introduce solutions to these problems. Again this afternoon, we are discussing the same matter as we did a year ago and even eight years ago, as I recall very well, when I first came to Ottawa.

And every year, it is always the same thing. At the last minute, we have to put pressure on the government. I do not recall that the government has ever adequately answered our representations and give any assurance to the producers who commit themselves, invest funds, who want to live like everyone else while offering to Canadians products of high quality. The government has never yet given this assurance to help each producer to survive, in Quebec as well as across the country.

Now, Mr. Speaker, last year, the government made some proposals. They led the dairy producers expect an indexing formula roughly equivalent to the production costs established by the producers association, and later recognized as accurate by the Plumtre Commission, which was created by the government. In spite of that, the government did not pay that minimum price that was based on production costs and would have given the producers a decent income. A few months later, far from answering the essential needs of that industry, the government announced a levy, because of a temporary problem perhaps, but a problem that still exists. One should say a few words about it, I believe. That levy on powdered milk exports, because of the competition of the European Economic Community, obviously causes hardships to our industry. How can one explain, Mr. Speaker, that the government should fight competition from the EEC on the backs of our producers, while their European counterparts are well subsidized and protected, and thus able to interfere to some extent with our markets? How can one explain that the government should have penalized our producers with this levy after having refused them the minimum requested? I know, Mr.

Dairy Policy

Speaker. That argument has not often been discussed in the House. I know the Prime Minister (Mr. Trudeau) made a highly interesting trip to Europe, that he expected and is still expecting, I believe, some interesting answers with regard to the possibility of trading with the EEC, but I do not feel that it is acceptable that the government, which intends to open up markets for various products with the EEC, should have decided to discriminate against the dairy industry and to let the producers face the problem alone. It was fair, and it will always be fair that the government should accept right away to help our producers and to compete with other countries equal to equal. Besides, it is the only way the producers could get out of this very difficult situation, which is probably a cyclic thing.

Up till now, the government would not do it, and the producers have been penalized. So, as a result of this levy the producer's net income was reduced.

This year, still more recommendations have been made, and I have read those from the UPA in the Province of Quebec. It was also given to me to read a proposal submitted by the Quebec caucus to the Cabinet. There are leaks, Mr. Speaker, and you will forgive me if I point it out in this manner. Anyway, this had to come eventually. We are therefore aware of the fact that the government members seem ready to correct some anomalies.

Of course the brief submitted by the members of the Dairy Producers, Federation deals with cheese imports. I think that in five years we had not known imports of more than 30 million pounds.

Last year, the Federation of Milk Producers and the Agricultural Producers' Union asked and recommended to the minister to reduce or at least restrain a possible increase in imports. But no imports were allowed to go up to 50 million pounds.

The federation also asked that import licences be transferred to the Canadian Dairy Commission which could better understand and control these imports according to our consumption and production. No answer has been given to that and, to my knowledge, the Department of Trade, Industry and Commerce controls import licences. That often enables the minister to answer us: You will understand that since licences are delivered by my hon. colleague, it is not my fault. He can thus get away with it easily enough when he meets milk producers.

It is also very clear that as regards the 65 cent levy on powder milk, the commission considers increasing that levy to \$1.50.

In their brief, our friends opposite recommend that this amount does not exceed \$1. We believe that for the moment, the producer cannot afford to give one cent more than the amount of 65 cents they had to accept. They did not negotiate nor accept it willingly. They were forced to accept this amount of 65 cents and it seems that our friends across are prepared to penalize them again to the tune of another 35 cents.

We do not believe that this is the best way to help them and to meet this minimum.

In the circumstances, I certainly ask the minister for his attention so that he respect this wish and at the same time the capabilities of these producers by freezing the levy at 65 cents. He is free to accept the whole amount because I