

Farm Credit Act

rather a hard-nosed business operation, notwithstanding the vagaries of the weather, the international market place or the policies of competitive countries.

We are moving into an era when the federal government wants to opt out of the program of assisting the industry. Subsidy is now a bad word in agriculture. It is all right for the Department of Industry, Trade and Commerce. It is all right for the Department of Manpower and Immigration. It is all right for the Department of Regional Economic Expansion. But, I repeat, when it comes to agriculture it is a bad word, and the government is firmly committed to withdrawing any respectable assistance to agriculture.

The Prime Minister (Mr. Trudeau), speaking to the Co-opérative Fédérée du Québec on February 2, 1972, said of agriculture:

Like any other industrial sector it has to operate and will have to operate without subsidies, without outside aid, as a mature organism that has developed to its full potential.

It is less and less acceptable that the consumer should have to bear the cost of deficiencies which the farmer himself suffers—

I merely want to draw attention to the fact that the productivity index in the agricultural sector has increased from 100 in 1961 to 166.7 in 1971, as compared with 121.4 in the non-agricultural sector. That is efficiency, Mr. Speaker, but while achieving this efficiency we have had a reduction in the net realized income of the farmer.

The minister responsible for the Canadian Wheat Board said something similar in an article which appeared in the *Star Weekly* on December 22, 1971, headed "Our Anti-farm Policy." I quote from it as follows:

Eight years ago Otto Lang was offering the first hints about what was to become the federal government's policy to kill Canada's smaller family farms.

Lang is now the federal minister in charge of the Canadian Wheat Board, but then he was a law professor speaking to agriculture graduates at the University of Saskatchewan in Saskatoon.

"The family farm is not entitled to subsidy," he said. "Should those living on farms be subsidized by non-farmers to bring their economic level to that of non-farmers? Clearly not. The farmers are receiving non-economic benefits to make up the difference."

• (1610)

The benefits, he suggested, include 'independence, fresh air, quiet and privacy and the intimacy of neighborliness where you know all of your neighbors well.'

Lately, neither Otto nor Ottawa has been talking about all those benefits. But the federal government has been bluntly informing family farmers that they can't expect to be subsidized much longer. The big farm is more economical to run. . . .

Federal Minister of Agriculture H. A. Olson said not long ago, in the stilted language of the bureaucrat: 'We want to give farmers who are close to retirement age the opportunity to use their assets to put together a satisfactory retirement package. We also want to give other farmers the opportunity to withdraw from agriculture with a certain amount of dignity and security if they choose to do so. However, the choice will certainly be left to the farmer.'

What that statement really means is that the low-income family farmer has become an economic anachronism in Canada. And Ottawa will no longer prop him up with subsidies which can only be justified on sentimental grounds.

An hon. Member: Shame.

Mr. Mazankowski: The government's proposals for a production and grain receipts policy for the Western

Grains Industry, of October, 1970, reaffirm the government's objectives to integrate smaller farm units and produce units of a more efficient size. While considering the question of size, Mr. Speaker, let us, for a moment, look at what Judge James Ross said. He conducted an inquiry into the egg industry in Ontario. One newspaper carries this report. Speaking of Judge Ross it says:

Repeatedly he insists that the family-type farm, employing one to three full-time men, must be buttressed. Not because it is a socially desirable business unit, which it is, but because it happens to be the most efficient production unit.

With lucidity he explodes the myths about bigness and 'economy of size' which are believed and preached by a number of naïve university professors. Like the authors of the Farm Income Report, he was unable to find one example of a corporate unit giving a better return to capital, management and labor than a family-run enterprise. In fact returns usually are lower.

Some hon. Members: Hear, hear!

Mr. Mazankowski: We know that the task force report in part recommends that subsidies and price supports to agriculture should be phased out, and that we must emphasize efficiency and rationalization. The approach of this government and the approach of bureaucrats is that there must be more bigness, so to speak, in farming. For instance, more money is to be available for farm loans. This money is not necessarily to help the new fellow in agriculture get started; instead, it is for those who are already fairly well established and want to grow larger. How much bigger must farms become before they reach that so-called viable size that the government and its economic advisers talk about? That question is hard to answer, particularly in view of recent findings. I note that the Minister of Agriculture (Mr. Olson) is not here. I think the parliamentary secretary may be familiar with the comments in the CFA presentation made before the Prime Minister and members of parliament. Page 5 of the CFA presentation reads in part:

It is becoming clearer to all that agricultural subsidies must often be provided as necessary, legitimate features of overall policies and programs in support of the industry—

Farmers have no quarrel with this so long as rationalization does not turn out to be another word for abandoning necessary social and economic goals for our rural economy, and so long as it is understood that the transition may well prove to be an extended one in today's fast-changing and unpredictable world.

May I read one more paragraph from page 6 of the presentation, as follows:

The reality and the challenge facing Canadian agriculture today is that, a well defined, well understood intermediate to long-term policy and program must be developed for every commodity sector and in every vital area of agricultural policy.

By well understood we mean well understood by the farmers themselves, and basically accepted by them. This in turn must mean that the necessary programs and policies are developed and carried out with producer involvement all along the line.

That, Mr. Speaker, has not been happening; that approach is not evident in this bill. Once more, in this bill, we are seeing the government implement some of the recommendations of the Task Force on Agriculture. As we know, that report has become the bible on which Liberal agricultural policy rests. Notwithstanding arguments to the contrary, there is sufficient evidence to show that many of the programs the government has introduced in this House emanated directly from the report of