

Agricultural Stabilization Act

barley—which are produced outside the defined area of the Canadian Wheat Board. The board may, by order in council—and has at one time or another—support many farm products in addition to the original nine, some 28 in all ranging from such essentials as fluid milk, dairy products and potatoes to sunflower seeds and sweetheart roses. I have some doubt about supporting the last product. Perhaps when the minister sums up he will tell us why the government and the board saw fit to support sweetheart roses.

Support levels on the few commodities covered, amounting to 80 per cent of the ten-year average, during the early stages of the program provided some safeguards and no doubt some stability. Support levels of 90 per cent of the five-year average, as proposed in Bill C-50 during periods of a stable economy, low inflation and stable input cost would, of course, be an improvement over the old plan. But do these conditions exist? Certainly not. They have not over the past few years, and they certainly have not existed particularly during the last two to three years. Consider, for example, that the farm cost index has increased by 202.8 per cent since the best year of 1961, and that the consumer price index has increased by 175.8 per cent. The same report that gives these figures indicates that the 1975 farm net income will likely drop by 12 per cent.

We have, unfortunately, experienced under the government a very unhealthy economy, record high inflation—farmers suffer severely during times of high inflation—and record high farm input costs. It is because of these prevailing conditions and the failure of the government to respond to this situation that both the old program and the new one proposed in this bill will provide little, if any, assistance to producers of agricultural products.

This bill has been paraded by the government as the perfect solution, the be-all and end-all of stabilization programs, a fine example for all others to be patterned on, and the international leader. In an attempt to fool producers and others, this government should recognize—and I am certain that some government members do—that they are only fooling themselves.

Those of us who have maintained a grass roots interest in the primary sector of the agricultural industry and producers and producer organizations in all regions of this country have been quick to recognize the shortcomings of this bill. It falls far short of what is required. It falls far short of what has been requested and fully expected in order to regain confidence and stability in the industry. Long-term stability and adequate profit margins are absolutely essential if we are to have an adequate supply of food products not only for all Canadians but in order to fulfil our role as a producer of food for the underfed and the hungry of the underdeveloped countries of the world. Farmers cannot survive on green grass, clean air and sunshine.

It is simply unbelievable, and indeed something that we as Canadians cannot be proud of in this day and age of advanced science, technology and know-how—with the availability of rich agricultural land; with the will, the urge and the desire of our farmers to produce—that we as Canadians are not self-sufficient in all types of agricultural products that can be grown on Canadian soil. An earlier

[Mr. Wise.]

speaker indicated that he was unable to buy Canadian butter. We import huge amounts of butter. The importation of specialty cheeses is another prime example. In fact, the present situation regarding the import of specialty cheeses is intolerable, and the increasing volume of these imports is making dangerous inroads into the production of industrial milk.

I am certain that if time permitted, many similar examples could be cited. Many examples could also be cited of the failure of this government to act promptly and adequately, or even to act at all. This has led to hardship and even disaster for producers and others in the industry. No government stabilization plan, certainly not the one before us today, can be highly successful unless fair protection is given readily against large volumes of lower cost imports which often stem from heavily subsidized countries or from countries with natural and climatic or other advantages. Tariffs on agricultural products are only about one-half of those on industrial products—8 per cent in comparison to 16 per cent.

Many people believe that producer subsidies are sufficiently high at present. This thought can be argued and debated, but I submit that it is certainly not true. It is generally acknowledged that our American competitors have a 20 per cent to 25 per cent advantage, mainly because of their government support programs. Agricultural subsidies in Canada, in most cases, are a fraction of those of our competitors. The per person subsidy for agriculture in 1968, for example, in Canada was \$350, compared to \$1,300 in the United States, \$1,000 in the United Kingdom and \$1,500 in Switzerland.

I recognize that some changes have occurred since that time, but no marked difference has resulted. Regardless of that, consumers should not be upset because they have benefited both by an adequate supply and, more than likely, by reduced prices in the marketplace. These figures should be mentioned from time to time, Mr. Speaker, in an effort not only to keep consumers accurately and completely informed but also to prevent a division or gulf of misunderstanding between farmers and the rest of the economy about the reason and the need to assist and support the Canadian agricultural industry.

● (1650)

True, the bill before us updates the original legislation. It could be improved by further reducing the five-year period to four years or to three years, or perhaps even less. Similarly, the 90 per cent provision could be increased. But whichever way it might be further improved by alteration, this can be said: neither the old bill nor the amendments contained in Bill C-50 will provide the support and stability that is needed and expected by Canadian producers.

Once again, because of lack of leadership and action by this government on national problems, the provinces are beginning to move into this area with various support programs. They recognize that something has to be done. I only hope that what appear to be short-term advantages do not result in long-term disasters caused by the failure of this government to face what is really a national responsibility.

Consider for a moment the importance of the industry in terms of the national economy. Farm assets in 1951