

the consumer 23½ cents if the farmer gave his wheat away free.

When we talk about two-price wheat we are not merely talking about a second price which somehow guarantees to the farmer his ability to produce one of the most needed commodities in the world. Unfortunately, we find that this two-price system, because it is not regulated in relation to world market conditions, ends by forcing the farmer to sell his wheat at a price which subsidizes Canadian consumers.

We accept what the minister has presented to us today. This is only sufficiently satisfactory if we find that the world price for wheat does not rise above seven dollars. As soon as that happens, the farmer is subsidizing the consumers of Canada as he has done in past years on a number of occasions. Perhaps I will be excused by my hon. friends in this party if I quote from a Liberal senator, Senator Hays, who says that, with the exception of Denmark, Canada supports its agricultural industry to a lesser extent than any country in the industrialized world.

● (1530)

It is interesting to note that while farmers are not looking for subsidies or that kind of program in terms of income, there are mechanisms which we can put in place, particularly in terms of research, transportation and marketing, that would be of great assistance to the agricultural community, particularly in terms of getting the wheat price we want. With that in mind, I should like to note that government contributions to the agricultural income of farmers in Great Britain amount to some 67 per cent. In France that contribution amounts to 50 per cent, in the United States it is 17 per cent, and in Canada it is 1.7 per cent. It is clear to me that if we could have the systems in place which would allow for marketing plus a much more aggressive marketing activity in the international market place, we could begin to get a much more acceptable price into the farmer's pocket.

When I speak about putting a transport system in place, it should be known that farmers in each of the last several years have lost over \$500 million in the prairies, not because they could not grow the grain, nor because they did not have the grades of grain, but rather because countries came asking for grades of grain which we have but for which we did not have the transport system to get that grain to port.

In a country that has a deficit as large as we have in Canada, where the largest single item on which we pay our taxes is interest on our accumulated foreign debt, not to have a transport system in place which would bring \$500 million to the Canadian economy annually is an unforgivable fact in 1980. We have had ample time, and ever since the ample representation that was made at the WEOC convention in Calgary in 1973, we have been promised, as prairie people, that these needs would be attended to. In short, what we find is simply the echoing and re-echoing of the same promises, and little action is taking place in terms of getting the infrastructure in place.

Two-Price Wheat Act

I should also point out that because of the failure to put into place the kind of support system that we really need to have, demoralization is taking place in the agricultural production communities today. The fact that we have decreasing numbers of farmers, because nearly 10,000 farmers each year leave farm production work to go into other lines of business, and the fact that farming operations are becoming larger, indicate that the family farm concept is not feasible under the present kind of policy. While that is of concern to the farming community, it should be of particular concern to the world at large that our farmers are not able to stockpile food which traditionally we have done.

Throughout much of the 1950s and 1960s we thought that if all food production were to stop in the world, we would have food stockpiled to last us for more than 80 days. Four years ago, that amount dropped to a supply of food for 36 days, and at present we have food stockpiled for only 18 days. In part, that reflects not just the attitude of this government but the attitude of all governments toward the three industries which I mentioned previously, namely, agriculture, forestry, and fisheries. Governments of all nations, whether they be democratic, dictatorial, or of other kinds, give an unusually low priority to these industries. It is an attitude that I have never been able to comprehend or appreciate. I say that, in view of the fact that there is no need in life as basic as food, and that need remains until the end of life, it is a requirement in all countries, and it becomes the focus on the international scene today as hunger.

I note that the Minister of Transport (Mr. Pepin), in listening to me today is finding great humour in my words as if I were not speaking seriously to him, or as if this were not a matter about which he could do something. So long as farm people are subsidizing the consumers in this country, at a time when Canadians are getting some of the cheapest food of any peoples in the world, I would say to any consumer group that I challenge them to go out and find any other country that can produce food as cheaply as it can be bought in Canada. In addition to that, let me remind the House that the average hourly earnings of a Canadian farmer in 1951 earned him two dozen eggs. In 1975 his average hourly earnings would buy him seven dozen eggs. If we compare the farmer with the consumer, we find that in 1976 the net farm income dropped some 20 per cent, and again in 1977 it dropped 11 per cent. I am short of data for the years between 1977 and the present, but I know that there was a drop last year and I know that for next year we are anticipating another significant drop in farm production incomes.

I plead with the government today that, in terms of the two-wheat policy, flexibility should be built into the bill before us so that when the world price increases above the ceiling, the price here can be moved upward. We must avoid the situation where producers find themselves in a tight squeeze but at the same time have to subsidize the consumers. If for some reason it becomes the judgment of the government that food prices are too high—which I argue they are not in this country in relation to the percentage of our disposable income which we spend on food—then surely the onus is on the government,