

*Farm Products Marketing Agencies Bill*

eloquently by the hon. member for Winnipeg North Centre (Mr. Knowles) who obviously had the opportunity to study my press release on the subject.

In any event, I think we can be comforted by the fact that this amendment has substantial support all across Canada. The evidence which I cite is contained in the submission to the Minister of Agriculture (Mr. Olson) by the provincial ministers on November 22 of this year. The reasoning behind this amendment is to recognize the historic rights and trading patterns of particular producers in certain parts of the country, particularly in prairie Canada, because I think that if we are moving to a new style of agriculture and a new marketing plan it is important that an adjustment period be allowed. The motion indicates that this period be five years, to give the traditional producers an opportunity to adjust to any changes that may take place in the particular trading patterns within our country. From that point of view it is extremely important.

I mentioned a moment ago that I was supported in this contention by the brief which the provincial ministers supplied to the Minister of Agriculture. On page 3 of their submission, under the heading "Constraints affecting Canadian agriculture" they make the following point:

There is a real possibility that multinational corporations will place plants in large market areas (e.g. the European Economic Community) and these plants could process foreign produce which would displace Canadian farm produce from markets that were developed by Canada.

If you substitute the words "central Canada" for "the European Economic Community," and the words "western Canadian producers" for "Canadian farm produce," you can see the fears upon which this amendment is based. There is no doubt that certain factory farm operations which can be readily expanded have a tendency in North America to move very close to centres of concentration of large population. The information which we received on the tour of the Standing Committee on Agriculture was that the fear was that if the situation were to occur where food production took place next to large centres of population, there would be very little opportunity for the prairie provinces to retain their population and to develop the variety of approaches to their economy which they are seeking. From that point of view I think this motion is worthy of support.

Further on in the ministers' brief, at page 5, paragraph (d), they say:

in the event of a sharing of markets, the position established by the producers who presently supply them should be respected;

This, again, is covered in the amendment to clause 24 and, hopefully, with the new wording that we have, the crucial sentence is that in the allocation of additional quotas for anticipated growth of market demand, the marketing agency shall be guided by the principle of comparative advantage of production. This protects those historic market areas which want one and the same thing as the comparative advantage area. Therefore, I think this is another point in favour of the motion.

Further on in the brief the ministers make a point about vertical integration. At page 6 of their brief, paragraph 11, they state:

The provinces are opposed to any extension of vertical integration by non-farm corporations and will attempt to reduce the

amount that presently exists. Government programs in agricultural marketing, rural development and farm credit have to be designated to allow the maximum development of the family type farm.

The problem that we encountered in the poultry and egg industries is that by and large surpluses have been created by vertically integrated corporations which have moved into the traditional areas formerly occupied by independent, family farm producers. On page 8 of the brief the ministers go on to say:

Although comparative advantage, properly defined, must be recognized—

That is a little stronger than the present amendment which says "to consider".

—it need not be accepted as the sole criterion for agricultural production.

Perhaps this weakens the case, but it makes it more reasonable. There is no particular formula in this amendment. When the Manitoba government presented its brief in Winnipeg, it suggested that half the growth in the areas of growing population and growing consumption should be allocated to the historic areas, but this amendment does not tie down the board or the agency that tightly. In any event, I am pleased to speak in support of the amendment. I hope it passes as speedily as possible.

**Mr. E. F. Whelan (Essex):** Mr. Speaker, I do not intend to take very long. The motion is a good one, but I think some of the arguments which the hon. member put forward are unnecessary because, as he pointed out, there are other provisions in the bill which complement this motion. I want to see Canadians share in the production of their foodstuffs. People who have taken part in food production should have their rights protected. Those who administer this act will be doing an important job, and as Members of Parliament we will make representations to them if we see them getting out of line.

• (5:40 p.m.)

I come from central Canada, the part of the country that some people seem scared of, central Ontario, which produces nearly one-third of the agricultural production of the nation, and I can say that I do not mistrust the eastern farmers, the western farmers or the farmers of British Columbia. I believe that British Columbia farmers have much the same problems as we have in eastern and central Canada. Farmers in the Fraser Valley produce many of the commodities that we produce in central Ontario.

This bill will provide some protection to producers. The recent surplus in egg, poultry and hog production was created by only 2 per cent overproduction. Such a thing cannot happen in cattle production because overproduction in that industry would take longer to develop than is the case with poultry. I think that what the hon. member is seeking through his amendment is worth while.

**Mr. Cliff Downey (Battle River):** Mr. Speaker, at this point in time this is an acceptable amendment, but I do not go along with the concept of supply management. I have a great many fears with regard to quota allotment and the whole concept of supply management. In this connection I wish to quote a few sentences from last week's *Country Guide*: