

production. With the profit and volume controls suggested by the NDP we would wake up one day and find an even more accelerated inflation spiral.

Let me refer to agricultural production, especially to the fifth report of the Economic Council of Canada in which it dealt at length with this matter. It pointed out quite clearly that in respect of research and financing, the Canadian farmer was undercapitalized in comparison with the U.S. farmer. The report suggests that the Canadian farmer has never had the necessary scientific tools working for him and that he has not had enough capital to allow him to successfully compete with his counterpart to the south. That report came out in 1969. What has this government done since that time? I suggest it has drastically reduced financing in agriculture.

Since 1969 this government has been obsessed with the idea that the number of farmers must be reduced, preferably those with small operations. Now we hear the minister in charge of the Canadian Wheat Board (Mr. Lang) suggesting that we must have a feed grain storage bank. What did we have when our elevators were full of barley? I suggest we then had a feed grain storage bank. But the minister dumped this grain on the world market at 48 cents to 50 cents a bushel. We took a loss and allowed the grain buyers in Italy to resell our barley, making 50 cents a bushel on it. In any event, this grain was out of our bins and off the minister's mind—out of sight, out of mind.

We have seen in the past year our cost of living climb by about 8.3 per cent and we have seen food prices increase by over 12 per cent. What did the minister do in his budget to counteract this situation? He very generously reduced the tariffs on fruits and vegetables. On August 13 this government put an embargo on the export of cattle, thinking this would somehow appease the consumer and bring about a reduction in the price by keeping more beef at home. I suggest this control was effective to the extent of perhaps 1 per cent on the shipment of beef. It had a drastic effect on the price of beef as compared to the advantages that were gained.

An hon. Member: Are you for a freeze on the price of food?

Mr. Horner (Crowfoot): I am not for a freeze on the price of food, and I do not think the Conservative party is in favour of such a freeze. My feeling in respect of food production is that we must give the farmer more capital and more scientific tools in order that he can produce more efficiently, thereby keeping up to production demands in this country and the demands of other countries to which we sell goods.

An hon. Member: Is that what your leader is suggesting?

Mr. Horner (Crowfoot): I firmly believe that is what my leader is suggesting. In this country we have allowed ourselves to adopt three policies. The first was the Lift program to get rid of production and surpluses. The second was the concept that wherever possible we should have cheap food, and on many occasions it has been said that we should have a cheap food policy. Now, when food prices are up, we find that the consumers are not happy and the government has to bring in some kind of subsidy.

Cost of Living

I suggest that in the past month three ministers of this government have contributed to increased food prices. The Minister of Finance has adopted policies which have resulted in an increase in the price of bread. The adjustment in respect of the cost of milk announced by the Minister of Agriculture has resulted in increased milk prices. Today the minister brought in a measure to subsidize the price of milk to the extent of five cents a quart in one province of Canada. I ask why this should apply to only one province, because the price of milk has gone up in other provinces as well.

The Minister of Finance had done nothing to curtail or manage the supply of money in Canada. He and the President of the Treasury Board (Mr. Drury) have done nothing to control the expenditures of this government. They believe they must divide up the pie and keep doling it out. They believe in increasing the size of government, and somehow or another things will work out. This government thinks that the inflationary spiral we are experiencing is a world condition. If that is so, why is our inflation higher than the inflation of other countries? The United States has a lower rate of inflation this year than ours, and the Japanese, one of our major traders, also has a lower rate of inflation.

Certainly there are and have been shortages of food in some countries, but we in Canada are not in any way in the grip of a food shortage. We may have some difficulties in respect of distribution of food, brought about partially by the rail dispute and partially—

Mr. Deputy Speaker: Order. I regret to interrupt the hon. member, but his allotted time has expired. However, he may continue with unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

● (0010)

Mr. J.-J. Blais (Nipissing): Mr. Speaker, I had not planned to participate in this glorious debate.

An hon. Member: Then sit down.

Mr. Blais: As you may recognize, as a new member, I am rather intimidated to join the battle in this honourable chamber, but in view of the drivel to which I have listened from members on the other side I felt that intimidation lift suddenly. I felt that nothing I could do at my worst could fail to make any contribution from the other side seem less.

I should like simply to mention that one point made by the hon. member for Crowfoot (Mr. Horner) needs immediate rebuttal. He said that the province of Quebec was the only province which has benefited from the federal largesse in the matter of the milk subsidy. He failed to point out that the same largesse is available to all other provinces, and that it is up to the provinces to use their initiative to enter into agreements which will make the subsidies available. Perhaps my friends on the other side, both NDP and Conservative, should advise their friends in the provincial governments of the fact that the money is available. I am not an economist.

Some hon. Members: Hear, hear!