

*The Address—Mr. Peters*

it needs some improvement in order to induce the provincial governments and municipalities to participate, let us get going. Already we have waited 40 years, which is much too long, to solve some of the problems in connection with putting agricultural land back into reforestation and beginning a national conservation program of this nature.

We believe that one of the major necessities of Canadian people in the field of agriculture lies in the area of orderly marketing. The New Democratic party believes that one of the long term programs that will help stabilize agricultural production and farm prices is the establishment of a national producers marketing board.

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Agricultural producers today have insufficient marketing power. In order to strengthen the marketing position of producers and provide them with a realistic price for their products it will be necessary to enact legislation to provide parity price levels for products under the control of a system of producers marketing boards.

To ensure flexibility these boards should be organized on a commodity basis with a defined jurisdiction on a regional basis. As an example, a potato producers marketing board operating within the maritimes area will be separate from another operating in northern Ontario. The efforts of each board will be co-ordinated through the development of a federal producers marketing board. Each of these units could operate in its separate sphere in supplying service to its area producers for export, and for their share of some common internal market. Their efforts will be co-ordinated and rationalized by the federal producers marketing board.

In respect to production, a provincial producers marketing board would have the responsibility of keeping the supply closer in relationship to the demand for the commodities. This could be done by taking the historic production of individual producers as a starting point, a system of producer licensing and any other powers the board must require.

In the marketing of the product, the provincial producer marketing board should have the responsibility and the power to deal adequately with the production and assembling of the product to the wholesaling and processing level. Provision should be made in the act to allow the processors and/or the wholesalers to become agents of the federal

board if producer boards were to request such action. If this were done it would mean the establishment of boards of produce commissioners. For example, in respect to dairy products, vegetables and meat the commissioners would set margins of operations for processors and wholesalers in a similar manner to that in which the board of grain commissioners now operates.

In establishing the price of a given product the federal government would have the responsibility of bargaining on behalf of the consumer with the producer marketing board for producer price guarantees for the commodity. These prices would be set with reference to total farm costs and levels of farm income in relation to the rest of the economy, and be re-negotiated at the end of an agreed production cycle of the commodity. In contrast to the fixed producers' prices, the consumer market price would be a free-flowing market price. If supplies become sufficiently strong to depress the market price below the guaranteed producer price, compensation will be paid to the producers through payments from the consumer revenue fund, and in relation to individual production should market prices fall below the guaranteed producer price. To illustrate how this would work, using butter as the example and presuming that the producers marketing board are in control of supplies, several steps would be required. These would be:

- (1) Necessary legislation drafted at the federal level with respect to agreed prices which would provide incentives for producers to organize.

- (2) The producers in each province interested in butter production would have the responsibility of establishing the producer marketing board. A majority of producers in favour would be required to put the provincial marketing board into effect.

- (3) If sufficient provinces established these boards representing a majority of the production, the plan would be declared in effect.

- (4) The producer marketing board would bargain with the appropriate agency of the government—the agricultural price board—for a guaranteed price to the producer for a specified period of time. This time period would be related to the production cycle of butter.

- (5) The guaranteed price and the possibility of deficiency payments would be only available to producers through the producers marketing board.

This means that if some provinces produced some butter but chose to stay out, they would run the risk of price penalty in the event of a strong production flow when consumer marketing prices descended below production