

*Agricultural Stabilization Act*

ly review Mr. Stewart's concerns about Bill C-50. I quote from the outline he presented to the committee:

Under 10(1) (1.1) of Bill C-50 our interpretation of the wording "may exercise such other powers as are prescribed by the governor in council for that purpose" to mean the possibility of production controls or supply-management.

Our concerns are that an effective income stabilization program must avoid the problems of incentive pricing leading to an oversupply and perhaps the consequent necessity for supply-management on many commodities.

Incentive pricing must be prohibited in order to avoid the need for supply-management. In this regard, we feel Section 10(1) (1.1) must be more clearly defined in the act itself—

As outlined in 8.2(1) we are concerned about the undisclosed flexibility for adjusting the base price and the estimated cost of production . . . at other times the level of support might in fact become an incentive price.

That is quite true. I must say that I share Mr. Stewart's concern about the use of the word "reflect" in this clause. It has to be much more specific. Mr. Stewart then points out rather succinctly:

The marketplace must be allowed to play its normal role.

He further states in his presentation:

We maintain top-loading above the prescribed federal support level in a single province should only be allowed if there is unanimity between the federal government, the ten provinces and the producers of the commodity in question concerning the level of top-loading within a particular province. Indiscriminate top-loading by provincial governments ultimately would lead to competition and balkanization between provinces.

The present Minister of Agriculture has indicated he would withdraw support of the federal government's 90 per cent base price and the "cost index" if and where a province was indiscriminately top-loading a commodity. This is not good enough; ministers of agriculture, governments and civil servants come and go but legislation remains. The withdrawal of federal support where top-loading is a transgression of the spirit of Bill C-50 must be clearly spelled out in the act and not in the regulations. A farmer or a provincial government should be able to pick up a copy of the act and clearly understand the consequences of top-loading.

That is the end of the quotation from Mr. Stewart's presentation to our committee. I share the concerns of Mr. Stewart, especially those with regard to "other powers". Surely, such an arrangement between cabinet and the board is not nearly enough protection for me as a cattle producer against the possibility of any minister of agriculture instituting supply-management in the Canadian cattle industry. I share the well-founded concern of the hon. member for Crowfoot (Mr. Horner). This concern, of course, is one of the reasons I sit in this House of Commons representing the constituency of Medicine Hat.

There has been a recent sequel to the Ontario government's intentions with regard to provincial stabilization. On June 3 in Guelph, before Mr. Stewart's current illness, he stated that some form of cow-calf stabilization program may be considered. He suggested it would be for the cow-calf sector as opposed to the beef sector. He implied that the cow-calf item was not properly covered under Bill C-50. Since that speech was made in Guelph, the Ontario Beef-Calf Income Stabilization policy has come into force.

The 1975 calf support level, and this is not retroactive to last year, for Ontario produced calves has been set at 50 cents a pound up to a maximum weight of 450 pounds. The premium is \$5 per cow that produced a calf. The plan is voluntary. What I am not sure of is whether Ontario

[Mr. Hargrave.]

intends to ask for federal participation in the financing of its new plan. However, because of Mr. Stewart's presentation to the standing committee on top-loading, I have to assume that his government will not be making such a presentation. In a telephone call to Mr. Stewart's office about an hour ago, it was confirmed that it is their own plan with which they were proceeding.

These various comments and reports must clearly indicate the dangers inherent in Bill C-50 if the minister allows financing of the top-loading features as suggested by the B.C. plan, that will lead to a balkanization of our Canadian cattle industry. Surely, past CEMA experience bears this out. What will happen now that the import controls have been instituted for the Canadian egg industry remains to be seen. They have a tough role ahead of them. It is most unfortunate that the B.C. cattlemen in this instance were more concerned about putting out a fire at home than in the long-term effect their decisions may have on the Canadian cattle industry.

● (1140)

In conclusion, with regard to the top-loading of this bill, I say to the minister—and I regret he is not in the House at the moment—that either this top-loading feature must be deleted or provision must be written into the act to guarantee uniform application across Canada for our cattle industry to ensure that it remains a stop-loss type of legislation. The minister should be obliged during third reading to make a positive statement explaining how the two top-loading amendments will apply specifically to the British Columbia income assurance policy for beef cattle. If he fails to make such a statement, I am sure commodity groups, especially cattlemen, will have every reason to be suspicious of the decisions to be made by cabinet, with details to be established by the usual regulations. I refer particularly to the "other powers" provision.

**Mr. Fred McCain (Carleton-Charlotte):** Mr. Speaker, a new bill or an amendment to an old bill does not necessarily of itself create a situation which is healthy to that aspect of our society to which the bill pertains. So it is with Bill C-50. This measure will do nothing for agriculture unless it leads the way to a constructive policy in the fields concerned.

The legislation itself is, I suppose, not that good and not that bad. But the total lack of an expression of policy to go with it, a total lack of a commitment to a positive structure in the world of agriculture, is a condemning feature. It deviates from the ordinary course of agriculture policy to the extent that it suggests decisions will now be made on an interdepartmental basis and I condemn the bill totally from this point of view. I submit that, though the Department of Agriculture does not tell the doctor how to operate, it should have some control, total control for that matter, over those aspects of our society which pertain to agriculture and crop production. The introduction of departmental consideration with respect to price stabilization represents a deviation from policy and from practice which is not satisfactory to the farmer.

I am concerned about this bill because of the lack of commitment. During the time in which it has been under study, phrase by phrase and clause by clause, we have been given no commitment to a specific position with