

Parity Prices for Farm Products Act

In 1981-82 the Canadian Wheat Board paid \$199.62 per tonne for top grade wheat. In 1982-83, it went down to \$192.43 per tonne. In 1983-84, it was \$193.98 per tonne. By 1984-85, it was \$186.37; by 1985-86, \$160.00; and by 1986-87, \$130 per tonne; 1987-88, it is \$110 per tonne, but it may go up because that is the initial price.

However, the situation is that in that six-year period the price of top grade wheat has been cut in half. We have some expectation that the price may drop even further in the future.

It is very important that we have some legislation in place. It is also very important that we in the House move to support legislation in order that we can do something for Canadian farmers. To those Conservatives who have expressed concern that if we pass this Bill we will be passing a piece of NDP policy which will somehow get them in trouble with their right wing friends, let me remind them that in 1984 Parliament allowed the Bill to go to committee. In 1985, with the Conservative majority in the House, Parliament again let the Bill go to committee. Obviously there is a very drastic, continuing, and increasing need for some type of support system for farmers.

I urge Hon. Members of the House in all Parties to rise when there is a vote to ensure that the Bill goes to committee, so that farmers can appear before the committee and Conservative Members can make any amendments they feel necessary. Then we would have improved legislation for the House of Commons to pass.

As I mentioned earlier, protection has already been provided to some farmers involved in the dairy, chicken, and turkey industries. We are saying that that system is working very satisfactorily in those areas. It should be expanded so that farmers, like so many of us, can know what will be their incomes in a year and have some sense of economic security and economic stability and some sense that the family farm can survive.

[*Translation*]

Mr. Marc Ferland (Portneuf): Mr. Speaker, I am pleased to take part in the debate on Bill C-221. However, I am somewhat disenchanted at the lack of participation of the Liberal Opposition on agricultural issues. This surely demonstrates the level of interest they have always had for agriculture.

Mr. Speaker, a progressive agricultural industry and a reasonable return on invested labour . . .

Mr. Rossi: I rise on a point of order, Mr. Speaker.

Mr. Deputy Speaker: The Hon. Member for Bourassa (Mr. Rossi) on a point of order.

Mr. Rossi: Mr. Speaker, when the Hon. Member for Portneuf (Mr. Ferland) is absent—which is quite often the case—no one comments on his absence. There is, I believe, a rule in this House which states that when mention is made of an Hon. Member on either side of the House, mention is made neither of his absence nor of his presence.

I would therefore ask the Hon. Member for Portneuf to show the same respect for other Hon. Members as that shown towards him when he is not present, which is quite often the case.

Mr. Deputy Speaker: The Hon. Member for Portneuf (Mr. Ferland) on debate.

Mr. Ferland: Mr. Speaker, I realize now that the Hon. Member for Bourassa (Mr. Rossi) did not understand what I meant. When I referred to the absence of Liberal Members, I did not mean to say that they were absent from the House. I meant something quite different. I meant that Liberal Members have failed to take part in this debate. Please listen carefully to what I have to say.

We should consider the negative effects a parity prices system could have on our farmers and the Canadian economy generally.

The notion of parity prices could do more harm than good for many reasons.

When prices are based on production costs, it is necessary to take into account the technological and agricultural innovations, which, through a more effective balancing of the various input costs, can result in lower costs and a regular decrease in the price of goods.

The production costs, however, are difficult to determine. It is necessary to distinguish between the costs for which disbursements must be made and such other factors as the fair reward for the farmer's work and investments, the value of which is difficult to assess precisely. They can be estimated, as they are already in some industries, but it is a delicate point on which people may hold different views.

If production costs were higher than market prices, a contingency or supply management system would be necessary for every type of farm product. One should not think about introducing a pricing system without having the means to limit the supply or dispose of the surpluses outside regular markets.

Canada is an exporting country and we depend on our export markets. These account for nearly half of our net farm income. Our production must be competitive on foreign markets.

If, on the one hand, the price of a product were set too high, we would have, on the other hand, to control the increase in imports which would certainly occur. But mainly, we could no longer export because our products probably would be too expensive on international markets. Our competitive position would then be jeopardized.

In order to remain on those markets, we would have to provide for export subsidies, and certainly our trade partners would react strongly. Canada would be accused of selling below cost or dumping. This of course would help isolate us from the global trade context and would have a disastrous impact not only on agriculture but the whole Canadian economy.