

Food Prices Committee

Anyhow, this is hypothetical and we have before us a quite specific amendment which, in my opinion, cannot be considered as an amendment to an amendment.

I must therefore regretfully make that decision which is moreover the one made a moment ago by the Deputy Speaker of the House in connection with an amendment put by an NDP representative.

It is therefore with regret that I advise the hon. member that his motion cannot be put to the House.

[English]

Mr. Speaker: The hon. member for Crowfoot (Mr. Horner).

Some hon. Members: Question.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, if the House wishes the question to be put, I will gladly give way.

Mr. Speaker: The hon. member has been recognized. If an hon. member wishes to rise on a point of order, he may do so for that purpose. However, I believe that the hon. member for Waterloo (Mr. Saltsman) wishes to speak, if the hon. member for Crowfoot does not wish to do so.

Mr. Horner (Crowfoot): I do, Mr. Speaker. In rising to address the House on this subject, I should like to tell hon. members that I have some good news and some bad news. The good news is that farm prices will continue to rise. This is good news for the farmers in Canada. The bad news is that in spite of the setting up of this committee, and even if the committee accepts the socialist idea of controlled prices and a price review board, consumer prices will still rise.

Why should this be the case? I shall try to convince the House that prices will rise. The first reason is that we are at the beginning of a rapid inflationary cycle. The Minister of Finance (Mr. Turner) has not brought down a budget, but anyone who looks at the economic indices will realize that we are now moving into a fast inflationary cycle. When there is a high rate of inflation, food prices rise along with everything else. In my view there is no question that this high inflation rate will continue to undermine the economy of the country.

Why is this inquiry being set up? I suggest it is because the government really has no solution; it is setting up a committee because it is afraid of an election soon and members opposite want to say they tried to do something about high food prices. This will merely be a road show, with the hon. member for Vancouver-Kingsway (Mrs. MacInnis) coming before her committee with her tin cans and her loaves of bread suggesting that someone is making a huge profit.

If the committee has to study this question, I hope it will make full use of the terms of reference before us which allow counsel and accountants to be engaged. As I interpret the paragraph, counsel and accountants can travel across the country and delve fully into the question of the cost of transporting food. I believe much of the problem lies in high transportation costs—monopolistic, maybe.

Why should the food bill be the one which the consumer hates to pay? One explanation is that nowadays practically everything else can be bought on credit—a car, a televi-

[Mr. Speaker.]

sion, even theatre tickets. The result is that at the end of the month the pay cheque is already spent. In many cases, the wife makes the monthly payments to which the family is committed. After those payments have been made, the food bill has still to be paid; and it has to be paid in cash. Then she realizes that not enough cash has been saved to meet the food bill.

The hon. member for Bruce (Mr. Whicher) said that the food bill accounted for about 19 per cent of the take-home pay. Why do I believe that food prices will rise? I do so because we operate in the North American market, indeed, in a world market, and because there is a food shortage throughout the world. This will naturally be reflected here. I would point out that domestic production has been discouraged by the government for the past four years. Members opposite supported policies designed to get the small farmer off the land rather than helping him get into production most suitable to his holding. They paid him, for instance, to get rid of his chickens. The government did away with the subsidy because it did not want farmers to produce lambs in Canada. We are now importing 90 per cent of the lamb and about 12 per cent of the beef consumed in this country.

• (2100)

How did a world shortage of food come about? I have before me the "United States News and World Report" dated December 11, 1972, which refers to the fact that world food production has suddenly shrunk close to creating a global crisis. Food production in many of the poor countries did not improve enough this year even to keep pace with the rise in population in those countries. Russia has had its worst crop in 100 years. There has been government bungling, political disruption. The weather has caused a world food shortage. Russia is experiencing a difficult winter, with insufficient snow to cover the crop, and it is expected that there will be a very poor wheat crop.

What is the position in China? China has purchased 400,000 tons of wheat and 300,000 tons of corn from the United States, the first purchases by that country from the United States in 23 years. Russia also purchased 27 million tons of grain from the west over and above the purchases made by those two communist countries from this country.

India, it appears, is going to have a food shortage and will have to import food even from the United States, despite the fact that international relationships between those two countries are not good. So India looks as though it is headed for a food shortage too. The same can be said of other countries in Asia, such as Cambodia, Indonesia, Laos and Burma. Burma used to export rice, but rice production is down all over the world. Rice production during the last ten years has increased very little, if at all.

In Chile there will be enough food for the population if they go on a spartan diet; that will save them from mass starvation. In Argentina people are being told they cannot eat beef on two days a week in order to conserve the nation's beef supplies. In Australia, one of the world's major wheat suppliers, drought has cut production by nearly one-third. And so on down the list. In the less developed nations of the world we have had an increase