

Farm Products Marketing Agencies Bill

difficulties of our cities, difficulties involving overcrowding, pollution and unemployment. More important, though, these people are being forced into a life-style they are not prepared to accept. The result is a degree of frustration and anger of unparalleled proportion. We know that because many farmers find it difficult to make a living on the farm, they are apprehensive. Indeed, many face the prospect of foreclosure by mortgage companies and farm credit corporations. In his press release concerning the small farms development program, of December 6, 1971, the Minister of Agriculture (Mr. Olson) said in part:

Economic studies and practical experience suggest that the family farm is the best type of farm, and it is in this context that we have developed a comprehensive program to help the small farmers of Canada to develop profitable family farms—

If that is a pledge and a reaffirmation of the idea that we must develop strong family farm units, then certainly I submit that we should include in this bill a categorical declaration that we are dedicated to that idea and that the council should be dedicated to reaching that objective.

• (3:10 a.m.)

I do not believe this bill will assist small farm units very much. Presumably this is why hon. members opposite decided to reject the amendment which was proposed, an amendment which would have made a simple addition to the duties and powers of the council, whereby the council would advise the minister on all matters to the end that the economic and social viability of farm communities in Canada should be enhanced and improved. But nothing has been done to direct attention toward the need to preserve the rural environment and economy.

This was the situation in which I proposed an amendment designed to obtain this objective. If adopted, it would have had the effect of rounding out the bill and would have given formal expression to the concept of preserving and enhancing the rural life-style. The bill before us will not assist in the development of viable family farm enterprises. I believe it is designed to help the big operator. The small operator will be vulnerable to the integrator and the corporate structure. I believe the bill will produce a locked-in effect: those with vested interests will find their interests preserved. It will increase capital requirements.

I note the following in the Canadian Imperial Bank of Commerce newsletter for November-December, 1971. In 1969, capital investment in Canadian farming amounted to some \$23 billion. By 1980, total investment in the industry is expected to amount to \$55 billion. Much of this increase arises out of new capital considerations to which attention must be paid by those wishing to engage in farming. I quote as follows from the bank newsletter:

This situation is the result of the growing trend toward the introduction of production quotas in agriculture as a means of allocating the right to supply a portion of the market. In some cases the quota right is tied directly to the farm assets themselves and its work is reflected in the value of such assets. In other instances the quota had a separate value in itself and may be traded independently of farm assets.

The right to produce milk for human consumption in Ontario provides an example of the latter and necessitates the possession of a group one pool quota which trades at about \$21 per pound at the present time in southern Ontario. Hence, except under certain conditions and with certain limitations whereby existing industrial

[Mr. Mazankowski.]

milk and cream producers can obtain the quota without payment, the purchase or establishment of a dairy farm capable of supplying a daily quota of 1,000 pounds of milk would involve an additional investment of \$21,000 over and above the cost of land, buildings, equipment and livestock.

The bill before us will encourage the type of development to which I have just referred. Capital outlays will be increased as we improve our technology and production methods, in addition to the added burden of quota costs. This, too, will increase costs but along with this there is a corresponding increase in productivity. I believe this bill will make it more difficult for new people to become established because of the amount of money involved. Ability or desire will not be a factor but, rather, it will depend on the amount of money they are able to put into the business.

Supporters of the government tell us they are doing all this for the sake of orderly marketing. But what better example of orderly marketing could one single out than the marketing of beef and beef products? This is simply because the beef market has been free of government intervention, free of restriction or impediment. It has been established in the free marketplace. Cattlemen want to keep it that way. This is why they want no part of the bill we are considering.

The government says it is dedicated to preserving the family farm, but I am sure the bill is patterned on the basis of the same philosophy as that which led to the abolition of the unit quota system in relation to the delivery of grain in western Canada. This system was the salvation of the small farmer but it has been abolished by a government which acts greatly to the detriment of the viability of the small farm. This bill reflects the same philosophy as that which led to the destruction of the small creameries as a result of the discriminatory actions of the Dairy Commission. Its inspiration is similar to that behind Operation Lift in which less than 50 per cent of the farmers, and in particular the small farmers in Alberta, were not able to participate, or the small farm adjustment program now renamed the small farm development program, though the contents of the program are basically the same—it is a program of consolidation and adjustment designed to do away with the small farm operator.

Farm operators will be burdened with yet another cost under the terms of this bill since the agencies will have power to impose levies. This will only increase further the cost of production, though we know that farm income has declined drastically over the last three years and this trend will continue if we accept the forecasts emanating from the Outlook Conference held in Ottawa some time ago.

Government policy as manifested in the programs I have mentioned has added to the deterioration of our rural areas and of our rural life-style. This has resulted in many of our small communities dying and rural communities becoming ghost towns. If the government is determined to reverse this trend it should put some teeth into legislation such as we have before us. This would reaffirm that it was serious in its expressions of concern about the need to preserve, develop and enhance the small family farm and rural communities generally. There should not be one piece of legislation designed for agriculture which did not include this principle.