

Business of Supply

The Acting Chairman (Mr. Crouse): It being six o'clock p.m. I do now leave the chair until eight o'clock p.m.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

ROUTINE PROCEEDINGS

[Translation]

HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF MINISTER OF TRANSPORT OF ISRAEL, AMBASSADOR OF ISRAEL TO CANADA AND OFFICIALS OF DEPARTMENT OF LABOUR

Mr. Fernand E. Leblanc (Parliamentary Secretary to Minister of Labour): On a point of order, Mr. Chairman. I think that it is proper to point out that we have in the Speaker's Gallery this evening the Minister of Transport of Israel who is accompanied by officials of his department as well as the ambassador of Israel to Canada. We also have officials of the Department of Labour.

GOVERNMENT ORDERS

[Translation]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58

The House resumed consideration in committee of certain items of the estimates for the year ending March 31, 1977, pursuant to the provisions of Standing Order 58—Mr. Turner in the Chair.

Agriculture

Resolved, that a sum not exceeding \$35,451,000 be granted to Her Majesty for the fiscal year ending March 31, 1977, (less the amount voted in interim supply) as follows:

Vote 1—Administration—program expenditures and contributions, \$35,451,000.

Mr. Wagner: Mr. Chairman, allow me, as representative of the constituency of Saint-Hyacinthe, which is both urban and rural, to take part briefly in this debate of the House and to express some views on the difficulties that exist in certain sectors of the agricultural economy, particularly in the dairy industry of my province. These difficulties are a result at the same time of the disturbance caused by inflation, of the chaotic policies of this government and of the particular structures of Quebec's agriculture.

[Mr. Knowles (Winnipeg North Centre).]

● (2010)

There is no use to hide this. As much as the industry worker, the agricultural worker is the victim of the startling consumer price increase, which has risen by some 35 per cent during the 1971-76 period. The effects of inflation have been particularly felt by the farmer because he is not only a producer of goods but also a consumer like everybody else. Like you and I, he has to provide for his individual needs as well as his family's but as a producer, he also has to pay for the equipment and the input needed for the business he is running.

More than everyone else perhaps, the farmer is affected by the continuous price increases in feed grains, fertilizers, energy and transport rates. The milk producer in particular is further affected by the domestic and international market contraction, and he has to fight against growing dairy products imports. In those circumstances, he deserves more than the divided attention the government is paying him. He asks that we consider seriously his fate and that we take at last some harsh steps if necessary to restore in his industrial sector the prosperity and the security which he needs like other citizens.

Now, what has the government just done for the milk producer? On the pretext that the subsidy to production tends to reduce efficiency and productivity and that it is necessary to curtail budgets, the government has just ordered a lamentable reduction in its program designed to support the dairy industry. But is this policy as realistic as stated by the government? On the one hand, the consumer will experience a considerable increase in his food budget; on the other hand, we run the risk of reducing our consumption of dairy products which are so important to our health. Finally, the government puts hundreds of small milk producers on the verge of ruin, and they will eventually be on other welfare programs. The savings it expects to be able to make could well be only an illusion.

And that is not all. The government is directly responsible for the enormous difficulties which, as recognized by the Minister of Agriculture (Mr. Whelan) himself, the dairy industry will face this year. One and even two years ago, the minister was strongly urging dairy producers to increase their production to such an extent that the domestic market has now reached saturation point.

The height of folly for the government was to raise by 11 million pounds the ceiling on cheese imports which now reaches 50 million pounds. Last year, they authorized the import of 10 million pounds of butter and regardless of a glut in the international market, they urged our producers to produce more powdered milk. Mr. Chairman, is this planning in any reasonable sense? A ceiling of 9.5 billion pounds for authorized shipments is a hard blow to producers. Actually, this ceiling is still being lowered by the minister's decision to impose a levy, more exactly, a fine of \$8.60 per hundred pounds on shipments exceeding 94.5 per cent of the individual quota.

To make the position of the milk producer even more difficult, the minister is now imposing another levy of \$1.35 a hundredweight on all shipments made within the limits of the marketing quota.

What is the minister trying to achieve? The bankruptcy of milk producers? With such drastic measures, one would