

to reduce the cattle population of Russia because there was not enough grain to feed it. If there had been a market for red meat in Russia, there was lots of red meat to be subsidized by the \$10 billion reserve fund of the European Economic Community; yet that meat was lying in cold storage, aging and deteriorating, because there was no market. Let us be reasonable. Had there been a Russian market while they were depleting their herd, the European Economic Community had a \$10 billion reserve fund for the subsidization of export of agricultural products surplus to the need of the European Economic Community.

● (2140)

I submit that our Minister of Agriculture has done a great disservice and a serious disservice to agriculture in Canada by that type of misleading statement. I compliment the hon. member for Humboldt-Lake Centre (Mr. Althouse) who supports in principle the idea of Canagrex but who expressed reservations which I hope may become part of the committee process. I hope he will stand as firmly on this and as strenuously as is required in the interests of agriculture. A blind vote for this as it is presently written is not good for agriculture in Canada today or any other day.

The minister talked about selling red meat to Japan. The minister will recall that an element of major progress was made by western pork producers, initiated by the Alberta pork producers. A contract was in fact made to sell pork to Japan. At that time Alberta expanded its hog operations. If my memory serves me correctly, it went to 1,600,000 hogs in Alberta at peak. If I am not mistaken, there are barely 500,000 hogs in Alberta today.

There is no market for any significant amount of pork in Japan. They have been exploring that market for a decade. That is a public body, not government to government as the minister so loudly professes this shall be. However, it is the co-operative structure of Canada dealing with a government in good faith.

While there may be a few more porkers sold there now, certainly the long-term dreams of the pork industry of western Canada have not materialized as a result of a market in Japan. Why? As we passed a red meat act in this House, the Japanese government put in place a control on all meat imports to protect its industry at a level and price which satisfy its farms. The mere passing of this act will not give us what the minister suggests. We may have an agency which can give some information and have some marketing capability, but that is the best we are going to have.

Mr. Whelan: Now, now, don't be so optimistic, Fred.

Mr. McCain: I will be frank and honest and above board. I am not going to delude farmers into thinking this is the magic wand of price for which they have been looking so long. We already have a price stabilization board and CIDA, both of which should be capable of stimulating exports of our surpluses.

Canagrex Act

The statement has been made that we can control and plan our surpluses. The minister will agree that the present cattle population in Canada will indicate that the price of beef should be good. The present population has gone down very materially. It has not gone down as fast as we would have liked in Argentina, Australia, New Zealand, Brazil or other beef-producing countries. As a result, there is a world market slump in beef.

We cannot plan our beef population in this little country of Canada so that we can cope with world prices unless, as I have said many times, we are prepared to exercise the authority and use the money of the price stabilization board. The population has gone down. However, what the minister overlooks is that so has consumption. The Outlook for Agriculture Conference indicated that not only had the consumption of beef gone down in the last year, it will go down further in the next year.

How can we plan and get rid of those cattle presently walking in the pastures or tied up in the barns so there will not be an excess next year? We cannot predict the economy of this nation. To tell the farmers we can is deceit. To tell the farmers further that we can control world markets and guarantee them prices without price stabilization is further misrepresentation of the facts.

Mr. Whelan: We are doing that with many products now.

Mr. McCain: Yes, you are. However, if we expand this, we lose our capability to export in the field of agriculture as we lost our capability of exporting in poultry and eggs. We have decimated that export market. We cannot maintain it any better in other fields if we regulate as the minister proposes.

If the Minister of Agriculture were as sincere and believable as he would have us believe, we would have the same income-averaging opportunity that the farmers had. We would still have the same depreciation allowance that we had. We would still have the right to sell a farm from father to son. We would not have to pay the capital gains in advance. Where has the minister been?

Mr. Whelan: This is the only country in the world that lets a farmer give a farm to his son tax-free.

Mr. McCain: That is not correct. Do not mislead the farm population. Farms are inherited and passed on in a dozen countries without any such foolish tax.

Mr. Whelan: Name me one.

Mr. Taylor: There won't be one to pass on. Look at capital gains, capital costs.

Mr. Whelan: They have it in the United States too, remember that.

Mr. Nielsen: You are an embarrassment to everyone who wears a green hat.

The Acting Speaker (Mr. Blaker): Order. Usually the Chair can hear the hon. member who has been recognized and is