

• (1335)

Had it not been for previous governments investing public funds in genetics and milk recording, we would still be like some Latin American and South or North African countries. Within three years, the federal government will have withdrawn from the industry and be quite proud of itself.

In 1990, the top dairy cow in Canada was in the parish of Plessisville. Yet, in 1995, the government cuts funding. It announces plans to cut it completely within three years.

The hon. parliamentary secretary raised another interesting point in his remarks. He said, and this is true, that, in Ontario, milk production is about 50 per cent for industrial use and 50 per cent for drinking. In Quebec, this is not the case, of course.

Does he not realize that years of relentless work have gone into milk pricing? We are in the process of narrowing the gap and, 16 or 17 months from now, on August 1, 1996, we should have achieved uniformity in milk pricing.

However, by cutting \$1.51 per hectolitre off the price of industrial milk, he just increased the price differential between the two again. Of course, milk producers are digging into the temporary equivalent stabilization fund but there is hardly any money left in this fund. I know what is going to happen. The government will boast, saying: "We did not raise taxes; we did not have the heart to do that". It cuts its tax transfers to the provinces, forcing the provinces to cut their transfers to the municipalities and, in turn, the municipalities will be forced to increase our property taxes.

What will milk producers do come August 1? They will go to the Canadian Dairy Commission and ask that the price of their industrial milk be raised. Then, milk processors will raise the price of butter, cheese, yogurt and ice cream by 25, 30, 35 cents a pound. And the government will say: "But we are not increasing taxes". What it takes away from one group, this group has to make others pay for.

**Mr. Marchand:** Hypocrisy.

**Mr. Chrétien (Frontenac):** Hypocrisy, indeed, Mr. Speaker.

[English]

**Mr. Vanclief:** Mr. Speaker, I wish the hon. member for Frontenac had paid more attention because I did not say anything about research and development and he rose and said that I had. As far as his comments on genetic evaluation and milk recording are concerned, he should be informed, if he is not already, that the dairy farmers of Canada have been quite willing to sit down with the government to talk about getting involved in the management of genetic evaluation and the milk recording program. They recognize as producers they will benefit from

### Supply

that. The government is working very closely with them on the transition in order for them to be able to do that.

No part of the argument he made explains why he cannot still have the top dairy cow in Canada in his riding, other than the fact that he wants to hold on to his seat because probably someone in the Prince Edward—Hastings riding may very well take that record away from them. There are some very good dairy producers in Prince Edward—Hastings.

I thank and commend the province of Quebec for the role it is playing in the ongoing discussions to work toward a one-pool price system for milk in Canada. Most of the provinces recognize that is the direction in which we are going to have to go and should go in order for us to meet easier the challenges coming from outside the borders of the country.

In conclusion, I would point out to members opposite, as the minister did, that with respect to their reference to the balance between what was done in the WGTA versus the dairy industry, the WGTA reform package is not in any way inconsistent with the position set out by the Quebec coalition on the WGTA in a letter to the minister of December 1994. They are here barking up one tree while their representatives have told the minister in the past that they agree with the manner in which it was handled.

• (1340)

**Mr. Jake E. Hoepfner (Lisgar—Marquette, Ref.):** Mr. Speaker, I would like to inform you that from now on my colleagues and I will be splitting our time.

It is always a pleasure to speak on agriculture, especially when the motion is introduced by the Bloc. I always enjoy the attitude its members take toward agriculture. They know how important it is. I appreciate that even if we do not always agree on certain issues. They know fundamentally that agriculture is the basis of Quebec as it is in western Canada. The Liberals will get educated. Some day they will listen. They are starting to listen already.

On the farm we always say that the pasture always looks greener on the other side of the fence. That is probably true in Quebec as well as in western Canada. Maybe it is time for Quebecers to take a rest from the milking industry, buy some farmland in western Canada and start grain farming. It would be a real pleasure to have them there working side by side. Then they would really appreciate some of the problems that the grain farmers have had in the last few years.

Their non-votable opposition motion says that grain farmers will be enabled to diversify. That is a little harsh or maybe not quite correct. Grain farmers will be forced to diversify. Not very many grain farmers today would love to jump into the dairy