

Increasing Food Prices

This morning when I was doing some research I phoned one of my constituents who is in the poultry and egg business. I was told that grade A large eggs cost about 25 cents a dozen to produce on the farm. This farmer does the grading, etc., and receives only 17 cents a dozen for them, while in a shopping centre in Yorkton the price is 54 cents. If the farmer were to sell the eggs without grading he would receive about 12 cents a dozen, and that is an increase over last year when he got eight cents. This constituent told me that chickens, for which he receives 22½ cents per pound, are sold in the store at 89 cents a pound. This, again, points out who is making the money.

I would now like to deal with the income of the farmer and illustrate what has happened over the last few years. The price the farmer receives today for a bushel of wheat is less than he received in 1949, despite the fact that the cost of a loaf of bread has skyrocketed in the same period. According to statistics from the Department of Agriculture and Statistics Canada, in 1950-51 the farmer received \$1.80 per bushel for corn and in 1971 he received \$1.33. A bushel of turnips in 1950-51 brought him \$1.75 and today he gets 35 cents, five times less than 20 years ago. For 75 pounds of potatoes he received \$2.75 in 1950-1951 and today he receives \$1.50. Twenty years ago he received 34 cents a pound for hogs and in 1971 he received 22 cents.

It can be seen that what the farmer receives for almost any commodity has decreased drastically over the last 20 years, though as all of us know the dollar today buys less than it did then. We find that total farm income in this country in 1970 was less than it was in 1968, when it was about \$1,710 million. Three years later, in 1971, it was \$1,573 million, this despite the fact that food prices increased by about 7.4 per cent last year alone.

When I telephoned the Department of Agriculture this afternoon I was told that according to a study made in Saskatchewan in 1966, which was a fairly good year for grain, the farmer cleared \$8 an acre after expenses. Four years later, in 1970, he lost \$4 an acre. Over five crop years this means that the farmer averaged 44 cents an acre despite the fact that food prices had skyrocketed.

While the farmer has been receiving less for his product, production costs have been increasing. According to the Barber commission report, the price of farm machinery increased by 85 per cent from 1949 to 1971 while the price received for the produce increased by only 3 per cent in the same period. As I said earlier, the price received for a bushel of wheat in 1971 was lower than in 1949. According to the Department of Agriculture, farm food production costs doubled between 1949 and 1969 while farm income from food in the same period increased by only 20 per cent. As a result, there has been a drastic drop in farm population from three million to two million people in 20 years. In the last five years the number of farms has decreased by 15 per cent in Canada.

Some hon. members from the cities might ask about productivity and suggest that the farmer is inefficient and deserves what is happening to him. That is not true. In this regard I should like to quote figures from Statistics Canada and other institutions to show that farm productivity is greater than in most other industries in this country. Using 1961 as the basic year with an index of 100, we find that in 1972 farm productivity had increased to 165.2.

[Mr. Nystrom.]

In non-agricultural industries for the same period, productivity had only increased to 123.5. For farmers the rate has averaged 4.8 per cent per year, whereas for the non-agricultural industry it has averaged only 2.6 per cent per year. We must therefore contrast 4.8 per cent with 2.6 per cent.

• (1750)

The farmer is most efficient, yet his income from farm commodities is proportionately lower now than it was many years ago. For instance, we find that in the period 1960-62 one farmer supported 30 other people with the food he produced; in the period 1968-70 he supported 42 people. This represents an increase in efficiency; he supports 12 more people. Again, if I may refer to the Barber commission report to show that the farmer's productivity is greater now than it was a few years ago, it will be seen that in the period 1910-14 it took the farmer 15.2 hours to produce a bushel of wheat, in the period 1935-39 it took him only 8.8 hours and in the period 1963-67, 2.9 hours.

Clearly the productivity of the farmer has increased. He has become more efficient in food production. This is shown if one studies all other farm commodities. For example, with regard to milk, in the period 1935-39 it took the farmer 148 hours to produce the same amount of milk that in the period 1963-67 took only 84 hours. The farmer has become most productive. On the other hand, his costs have sky-rocketed and his returns have gone down. He receives a lesser proportion of the consumer food dollar now than he did a few years ago, yet food prices have gone up dramatically.

I say that the farmer has put in his work and the consumer must pay the bill. Yet it is the food conglomerates and chains which are reaping all the profit. The Garfield Weston Company controls or has interests in over 60 companies in this country. These are the people who make the decisions. There is not competition, Mr. Speaker; there is a near corporate monopoly in this field. The Weston company has interests in Dominion Food, Loblaw's, Lucky Dollar stores, E.B. Eddy, Weston Foods, Westfield-Foods, and on and on it goes. One could hardly begin listing the companies with which the firm is involved.

I say on behalf of our farmers and consumers, let us investigate this state of affairs. If the minister suggests there is nothing to hide, why is he afraid of an investigation? I maintain he is sticking up for his friends, the corporate elite of this country and the Conservative party is shyly on the side, behind the curtains, approving and saying, "We, too, are more interested in the food company than in the consumer or the farmer."

Mr. Murray McBride (Lanark-Renfrew-Carleton): Mr. Speaker, I find it a real pleasure this afternoon to take part in this crucial and important debate that touches two segments of our society in whom I believe the House is vitally interested. I am referring to the consuming public on the one hand and to the farmers, the producers of food, on the other.

I think this debate has fastened with the strength of a vice-grip, so to speak, on one of the most crucial problems of our culture, a problem to which the government and