

Agricultural Products Board

Just four days later the minister made a report in the house of the change in butter policy, and I want to quote one paragraph of that report as follows:

The government has asked the dairy products board to make a survey of the carry-over as of December 1 in each year, and if it is found that there is not sufficient butter to carry the consumers through to April 1 with a normal carry-over, that the board negotiate with those countries whose butter is admitted to Canada on arrangement at a preferred duty for any amount required to be distributed through the trade on the same price arrangement as Canadian butter.

Obviously some kind of legislation is necessary to alleviate a repetition of the butter shortage and the subsequent profiteering of last winter. Whether that butter shortage was as acute as we were led to believe is debatable. Nevertheless butter prices did jump appreciably and importers did make a huge profit.

Some of those who profess to be the strongest advocates of the free enterprise system are doing the very thing that will destroy it quicker than anything else, when they take advantage of a short supply to profiteer at the consumer's expense, while the producer at the same time receives little benefit in respect of storable products.

The position of the dairy industry at the present time is deplorable. Of the thirteen major dairying countries in the world, Canada is the only one which showed an over-all decline in milk production between the years 1948 and 1950. While the human population in Canada has increased by two and one-third millions in the last eight years, the number of milch cows has reached the lowest point in twenty years. Milk production is down by over a billion pounds since the end of the second world war. Milk production per capita has declined from 1,500 pounds in 1942 to less than 1,200 pounds as estimated for this year.

Annual butter production has declined by more than 40 million pounds in the last three years, the lowest on record for twenty years. Cheese production has dropped from 189 million pounds in 1945 to less than 100 million this year.

Mr. W. Frank Jones, president of the Borden Company, Limited, and past president of the National Dairy Council of Canada, in an address before the Ontario Agricultural College alumni association in Ottawa on October 26, 1951, gave the following reasons for the decline in production:

The relatively higher returns from other types of farming such as beef cattle, grains, hogs, poultry, etc.; the relatively onerous nature of dairying making it increasingly difficult to obtain or retain the farm labour required; the competitive impact of substitutes for dairy products manufactured from

imported vegetable oils, and, contrary to the general impression among hard pressed consumers, the relatively low consumer prices for dairy products.

And again:

Answering criticism as to milk and butter prices, Mr. Jones quoted official data showing that "Canadians now have to work less time to buy a quart of milk than they did in 1939. In 1939 an average hour's work in manufacturing industries paid close to 43 cents, enough to buy just over three and a half quarts of milk. Today the same work pays \$1.18, enough to buy more than six quarts of milk, or just about twice as much. As at July 1 of this year it required only 34.7 minutes of working time to buy a pound of butter compared with 41.2 minutes in 1939."

Obviously federal government policy has been the cause of most of the trouble, and it is within their power to rectify the situation. I shall reserve further comment until the bill is brought forward.

Mr. P. E. Wright (Melfort): Mr. Speaker, I should like to say a few words in this discussion, as this may be the only opportunity we will have at this short session to discuss agricultural matters. There will be no estimates, and no supply voted, so I would hope that some latitude would be given in the discussion at this time.

As the minister has said, the resolution foreshadows the introduction of a bill which will establish again an agricultural products board. In 1950, when we passed the amendment to the original Agricultural Products Act, which extended the life of the board until March 31, I believe it was, of this year, I suggested we should be making this a permanent act, I was sure in my own mind that, if we were to have any orderly marketing of agricultural products in Canada, it was necessary to have a board with the functions which I presume this board will have. I refer to the functions of purchasing certain agricultural products at floor prices, which may be established from time to time under the Agricultural Prices Support Act. I agree with that principle, and that we should have a board of this description.

The hon. member for Brant-Wentworth (Mr. Charlton) has just given us a review of the dairying situation in Canada as it applies to butter. I should like to say a few words in that connection. Originally, under the Agricultural Prices Support Act, a floor price for butter was established in Canada at 53 cents. At that time dairy producers informed the government that they did not believe that was a satisfactory price, and felt production would be likely to drop if the floor were not established at a higher figure. Such proved to be the case. As has been mentioned by the hon. member for