

Supply—Agriculture

Now, I would like to deal, this afternoon, with a very important subject. The hon. member for Lotbinière admitted himself that the dairy industry is the basis of agriculture in eastern Canada.

On last April 29, the Minister of Agriculture made a statement in the house about a new program concerning the dairy industry and the production year opening on May 1, 1964, that is only a few hours before the institution of this new program.

Some time before, I had asked the Minister of Agriculture to announce this program early enough to give milk producers and dairies the opportunity to make representations if they could not accept it.

We realize that last year the government could not make that announcement before April 29 because, at that time, the Liberal party had only been in power for seven days, but this year the Minister of Agriculture should have made that announcement much earlier.

By referring to previous years I noticed, for instance, that the support price programs were announced for the years 1958 and 1959 on April 7, 1958, three weeks before the beginning of the new year. The program for 1959-60 was announced on April 23, that is a week before the start of the new year. In 1960-61, the program was announced on April 13, 1960, 17 days before the start of the dairy year. For the year 1961-62, the program was announced on April 20, again 10 days before the start of the new year. In 1962-63, it was announced on March 22.

Even though the then minister of agriculture was ill at the time, this program was announced in the house on March 22. And may I be allowed to point out that this program provided for a subsidy of 12 cents per pound to the consumer. It was a complete program as regards dairy products. This program was revised on April 9 and April 27, following the representations made by farmers.

This year, the program was announced only a few hours before the beginning of the new dairy production year.

What will be the effects of this new dairy program as regards our producers? It will surely not increase the already very low income of our eastern farmers.

We are already getting complaints and requests and reading in the country's farm newspapers editorials against that new dairy program which, I say it again, was announced at the very last minute to take the dairy producers by surprise and put them in an embarrassing situation.

In 1964-65, the producer who sends milk to the processing plant for butter will get 13.3 cents per pound of fat instead of getting, through the manufacturer and the federal government, 14.5 cents. That means that the producer will suffer a loss of $4\frac{1}{2}$ cents per hundredweight of milk, which will be made up by an increase of 1 cent per pound in the price of butter to the consumer. Therefore, the consumer will have to pay a basic price of 53 cents per pound for butter. That new policy will result in the Canadian consumer paying \$3.5 million more, without the dairy producers getting one additional penny.

In the case of cheese, the 30 cent subsidy per cwt. of milk for cheddar cheese has been removed. This loss of several million dollars will be compensated by a payment of 3.6 cents per cwt. of milk for premium quality cheese.

The other day I heard the parliamentary secretary of the Minister of Agriculture tell us for instance, that nine pounds of cheese were being produced with 100 pounds of milk. I agree. Those figures are a bit more accurate than those given to us last year on another matter by the parliamentary secretary to the Minister of Trade and Commerce (Mr. Pepin).

But in the province of Quebec, only 86.8 per cent of the cheese is rated first grade, while 90.3 per cent in Ontario is first grade. The remainder of the cheese production does not benefit by this premium of 3.6 cents per pound.

Mr. Chairman, I received recently, just like the Minister of Agriculture, a petition signed by cheese producers of the constituencies of Nicolet-Yamaska, Drummond-Arthabaska and of St. Maurice-Lafleche. For the information of the house, I will read a few excerpts thereof:

We have examined the new policy concerning grants for cheese production.

We submit that to comply with the regulations established on May 1, 1964, while providing to the consumer the product which he wants, that is a fresh cheese, the price would necessarily be increased by 4 cents a pound, or the price to the farmer would be reduced by 30 cents per cwt. of milk. In either case, this would obviously be prejudicial and could entail very serious economic consequences.

Mr. Chairman, the federal government promoted the establishment of cheese factories. For instance, the first signature on the petition is that of Mr. Marcel Descôteau, of St. Grégoire. Mr. Descôteau obtained a grant from the federal government to set up his factory, and he retails all his cheese on the local market without having it classified or graded in Montreal. Since this cheese will not be classified, because the consumer insists