

Supply—Agriculture

up, if not the letter, then certainly the spirit of the act which was passed by this parliament.

There would not be 47 Conservative members of parliament here from the prairies if the farmers had known that the bottom would fall out of the hog market under this administration; if they had known that 15 cents would be the price of grade A large eggs at certain times and that the deficiency payment on them would be some six cents a dozen. If this had been known there would not have been a corporal's guard from the prairies on that side of the house. But the people of the prairies were told by this government: we have placed a formula in this act which you can read for yourselves; it shows that we are not going to allow support prices to go below 80 per cent of the average price for a ten-year period.

There were other things, besides, placed in that act which have since proved to be misleading. I refer particularly to the provision that the support price would be based on cost of production. We have been trying to find out what studies have been undertaken with regard to cost of production. We have not been able to find that out, and we suggest that this is another part of the act which has not been fulfilled. It is certain that the minister has accomplished his objective to destroy production, or a substantial part of production. It is perfectly true that his actions have resulted in the demoralization of the poultry and egg industry in this country to the point where production is declining, and the forecast is for still less production. That, the minister has accomplished. But in doing so he has broken faith in my opinion with the producers of western Canada.

There are other complaints about the administration of this legislation. These have to do with the announcement which was made the other day on the support price for butter. The hon. member for Matapedia-Matane who spoke a few minutes ago said he had advocated the retention of the support price on butter. Well, if he had advocated it, it was not maintained.

Mr. Martin (Essex East): At last year's level.

Mr. Argue: It was not maintained. The minister was not frank enough to tell the house when he was making the initial announcement just what the effect of this new policy would be. The country was led to believe that there was a 64 cents a pound floor under butter as there had been before but, of course, that is not what is taking place. The government has changed the basis of support by changing the basis upon which

the 64 cents is provided. As I understand the former policy it was to pay a 64-cent floor price on butter which scored 39-92. The policy now is to pay a 64-cent floor price on butter if it scores 40-93. The 64-cent figure is there but the grading arrangements under which a support price of 64 cents a pound has been paid have been changed and this in fact means a very substantial reduction in the farmer's support price.

In a statement on this question in the *Western Producer* of April 28 the writer had this to say:

The joker in the minister's speech is where he says "scoring 40-93." Only 30 per cent of Canadian butter eligible for the 64-cent floor last year scored 40-93. This means the government will reduce by 70 per cent the amount of butter eligible in the year commencing May 1.

Why was that not in the statement? This article is appropriately entitled, "Let's Have It Straight, Doug".

Mr. Martin (Essex East): Was the article by Mr. Hedlin?

Mr. Argue: It appears on the editorial page of the *Western Producer* for Thursday, April 28, 1960 and the author's name is not given.

The minister is very agile with figures. He will not admit any more than his predecessor would that when farmers are receiving lower prices and getting less money, this is in fact the case. The minister will not admit that deficiency payments mean less money. When I sit down I am sure the minister will stand up and say, "Even though the farmer's price is less, even though the market price is less than the support price, and even though at the end of a given period of time the farmer will receive nothing by way of deficiency payments, this does not mean less money to the farmer." The minister may fool some hon. members of this committee but he does not fool the agricultural producers.

An hon. Member: And the hon. member for Assiniboia does not fool us.

Mr. Argue: Not only does the deficiency payment technique mean less to the farmers than they are entitled to by law in my opinion and less than they are entitled to by statements made by hon. members of the government including the minister when this legislation was debated in the house, it means that for grades for which there is no support price the farmer is getting less money because deficiency payments are not provided on all grades. When a farmer is paid for lower grades he gets usually a certain proportion of the higher grades. When