

Supply—Agriculture

\$1.63 per bushel in 1957 and \$1.60½ in 1958. This is one of the few cases in which there has been a drop in price.

Oats, Ontario No. 2, 60 cents last year and 64 cents this year; oats, No. 2 C.W.—these are western oats—domestic and export in store at Fort William and Port Arthur, 75 cents a bushel last year and 75½ cents a bushel this year; barley, Ontario, 75 cents last year compared with 80 cents this year; barley, No. 3 C.W., in store Fort William and Port Arthur, \$1.16 compared with \$1.11 this year—another case in which there has been a drop.

Flax seed, No. 1 C.W., Winnipeg grain exchange, in store at Fort William and Port Arthur, \$2.40 last year and \$3.02 this year. These prices will give the committee some idea of the changes which have taken place; in nearly all cases the change has been upwards. It is as good an illustration as I know of what has happened during the past year as far as the prices of agricultural products are concerned.

As I have said, I think a great deal of the improvement has been as the result of policies followed by this government, including the introduction of the Agricultural Stabilization Act. This act, as most hon. members of the committee know, was the successor of the Agricultural Prices Support Act, and it went into effect on March 3 this year, having been approved by the last parliament at the end of January. There were a number of important changes from the old act; a formula was included for establishing a base price for any agricultural commodities. The board was commissioned to set up a price support on nine stated commodities at a level equivalent to at least 80 per cent of the base price, including cattle, hogs, sheep, eggs, butter, cheese, oats, wheat and barley, outside of designated Canadian wheat board areas.

For these nine commodities a support price was to be announced for a 12-month period and for any others that might be named the act indicated a one year period but allowed time limits if it should be felt necessary to meet a particular situation. This has been found necessary in the case of fruit and vegetables and the provision was included in the act to make it possible to handle these commodities when emergency situations arose.

An advisory board of farmers or representatives from farm organizations was appointed and the general intention of the act was to stabilize prices in order to help agriculture receive fair returns. Fifty million dollars was added to the revolving fund available for price stabilization, raising the total to \$250 million. A considerable number of commodities have been stabilized under this act and the government has so far authorized 16

products in addition to turkeys and potatoes which were authorized under the Agricultural Prices Support Act, which meant a total of 18 commodities under support of the stabilization act. The percentage of the base price at which these 16 commodities are supported is as follows:

Commodity	Percentage
Butter	107
Cheddar cheese	110
Dry skimmed milk	107
Hogs	84
Steers	80
Lambs	80
Wool	110
Eggs	85
Wheat	80
Oats	80
Barley	80
Sugar beets	93
Soybeans	90
B.C. tomatoes	112
Asparagus	86
Raspberries	
(In frozen pack)	102
(In So ₂ pack)	91

I have given these percentages to the committee because statements have been made in this house that prices were being stabilized at the minimum provided under the act. The majority of commodities for which a stabilized price has been announced has been supported at a price considerably above the minimum provided for and in a large number of cases considerably above the base price which is the average price for the last ten years. As I have stated, this means that there is a total of 18 commodities presently under some form of support program as compared with a maximum of six at any one time prior to June, 1957. In other words, we have under support at the present time three times as many commodities as had the previous government at any time under the old act.

Ever since taking office, of course, this government has received a large number of demands which have been in existence for many years past with respect to protection for Canadian agriculture. There are a number of reasons why Canadian agriculture needs protection, five of which are as follows:

1. The short growing season.
2. The long period during which livestock must be housed and fed.
3. A production season that follows peak production in the United States.
4. Long east-west hauls to market centres.
5. Greater exposure to competition from imports than is experienced by manufactured goods.

These reasons, then, account for the unfavourable position of agriculture compared with other segments of the economy, and explain why this government recognizes the need for greater protection.