

will have no authority to compel delivery of a product produced on the farms of Canada. It will only receive the product when the price offered in a competitive market results in its delivery.

The boards set up under the Agricultural Products Act of 1947 served as agencies for the Agricultural Prices Support Board in the purchase and sale of commodities under price support programs. When this Act was rescinded it was necessary to set up a legally-constituted authority to undertake this service.

When it was decided to purchase butter, in order to make it possible to try and stabilize the price of that commodity it was found necessary to set up a legally-constituted authority to undertake this service.

We have been approached from time to time by other governments to provide an agency to enable them to purchase certain farm products in Canada. If it were decided by the government to perform this service, it would be necessary to have a legally-constituted board. Under the Emergency Powers Act, the government, by Order in Council 3415, set up such a board. It was considered that such a board was necessary for the proper administration of the policies of the department, apart from any emergency which might exist; therefore it was thought proper to have special legislation setting up such a board. This board will have power to buy and sell agricultural products whenever an order in council is passed authorizing the minister to instruct it to do so.

There are many details of the proposed operations of this legislation with which I am not familiar; but as I have been specifically asked how this legislation will affect the butter situation, which is the immediate purpose for setting up the board, in reply I would read parts of the following release from the recent federal-provincial agricultural conference. This has to do, of course, with possible applications under the price support program. I quote:

In April, 1951, authority was granted the Agricultural Prices Support Board to offer to purchase butter from May 1, 1951, to April 30, 1953, on a basis of 58 cents per pound delivered Montreal. This was an increase of five cents per pound over the previous year and represented the first time that any program under the Agricultural Prices Support Act had been announced in advance for a period of two years. There has been no butter offered under this program to date.

And further on:

In August the government placed all imports of butter under permit and provided that the Agricultural Products Board would be the sole importer with authority to import such quantities as would be necessary to stabilize butter prices and meet Canadian domestic requirements. At the same time

authority was provided for the purchase of quantities of Canadian butter on the basis of 63 cents per pound delivered Montreal. Under this program there has been a firm purchase of 10 million pounds of imported butter, of which approximately 8,500,000 pounds have been delivered with the balance due for arrival early in the new year. In addition an option has been secured on an additional 5 million pounds which can be imported if required.

**Hon. Mr. Roebuck:** May I ask the honourable leader a question? Subsection (3) of section 4 provides:

... the Board shall not sell an agricultural product pursuant to paragraph (a) or (c) of subsection (1) at a price lower than the purchase price thereof plus handling, storage and transportation costs.

If they get into that position what do they do with these products?

**Hon. Mr. Hayden:** Let them rot.

**Hon. Mr. Robertson:** The subsection starts out as follows:

Except with the approval of the Governor in Council, the Board shall not . . .

The only explanation I can make is that under these circumstances the board would have to endeavour to have the Governor in Council do otherwise.

**Hon. John T. Haig:** Honourable senators, I do not wish to make any extended remarks. This bill appears to me to do the very opposite of a measure that we have been discussing a good deal lately, and one that I think we shall have to discuss a good deal more in the next few days. This bill sets a price—

**Hon. Mr. Hayden:** A minimum price.

**Hon. Mr. Haig:** Yes, it happens to be a minimum price that this bill authorizes. The situation with respect to the Wheat Board is even worse. A farmer cannot sell to anybody but that board. It does seem strange to me that parliament should pass an Act making it illegal for anyone to sell butter below 63 cents. The government does not want the consumer to be able to get even a nip of butter unless he pays at least 63 cents a pound. My honourable friend from Toronto-Trinity (Hon. Mr. Roebuck) asked a question that I was going to ask. In fact, I think I rose first, but the Honourable the Acting Speaker was looking at my friend.

**Hon. Mr. Robertson:** Both of you being so good looking, His Honour could not easily distinguish between you.

**Hon. Mr. Haig:** Well, I say to His Honour that I think he used good judgment in recognizing my friend from Toronto-Trinity. As I say, the question that my honourable friend asked was one that I had in mind. I