

area desiring to enter the scheme was very small: probably they would suggest that more organization work be done before the government would assume that responsibility.

As to the matter of forcing or authorizing a minority to become a part of the membership, there is nothing in this bill which provides for that. I understand that under legislation of British Columbia there is authority of that kind which could be exercised.

As to the matter of regulating the amount of the product which might be exported or sold into another province at any particular time, there is nothing in this bill which empowers the government to regulate that. Requests have been made for that kind of thing, but nothing has been placed in this bill which gives power to the government to enforce such a regulation. There was a third question, was there not?

Mr. BARBER: What percentage of producers, for instance growers in that particular area, would be required before they would be recognized as a cooperative under this act?

Mr. GARDINER: What was the last question?

Mr. BARBER: The last question was in regard to making an assessment as to the carrying charges. It will be remembered that we had trouble in this respect before.

Mr. GARDINER: There is no power for making assessments. I understand that in six of the provinces there is legislative provision for assessments to be made by organizations which are operating provincially. As to the matter of percentages, I dealt with that in the answer I made at the beginning. There is no definite percentage set in the bill, but naturally the government would want to have a considerable percentage.

Mr. BARBER: I believe that under the old legislation it was about 80 per cent.

Mr. GARDINER: About that.

Mr. BARBER: There is one other question. As the department and probably the minister are already aware, the Fraser Valley Milk Producers Association and dairy producers generally in the lower mainland of British Columbia have been having difficulties. They are now being brought under the control legislation of the provincial government, and for twenty years or more voluntary cooperation was successful, but they have experienced the difficulties which all cooperatives encounter when they are faced with a large and accumulating surplus and the problem of disposing of it. There is also difficulty when

[Mr. Gardiner.]

they expand and create a considerable overhead. I believe we have experienced both of these phases in the Fraser valley. Under this legislation will there be any opportunity for relieving and straightening out that situation? I notice that the control scheme was to come into force, selling through the central agency, on the first of this month, but an injunction has been filed and the whole matter is tied up. This has been going on for the last year or two and the farmers are suffering. The dairy industry has reached its lowest ebb in thirty years so far as the lower mainland of British Columbia is concerned. They are almost desperate. Does the minister think that there will come out of this legislation anything that will be beneficial to these producers?

Mr. GARDINER: The legislation would assist them only to this extent, that if they could present to the government a proper statement which would justify us in concluding that we were not financing obligations that they had undertaken previously, which they could not otherwise finance, the government would then, on the basis of the submission which they might make respecting their financial position, consider whether it would be of any assistance to them to guarantee up to eighty per cent of the amounts they were giving as initial payments during a particular season. If that were of assistance to them they could obtain that help under this bill.

As regards surpluses, I understand they are subject to the control of provincial legislation. The provincial legislation is much the same in principle as the old Natural Products Marketing Act passed in 1934. Under that legislation an attempt was made to control both production and acreage and to establish some control over price, as well as to make levies. So far as the set-up in the Fraser river valley is concerned, in connection with the distribution of milk, I found that under the old Natural Products Marketing Act during the time it was still on the statute book, and for the first two months that I was in charge of the department here, more of my time was given to the milk producers in the Fraser river valley than to all the rest of the agriculturists in Canada. I had telegrams and letters of from one to two pages of foolscap coming in periodically. I had three delegations in the first few weeks I was in charge of the department—delegations all the way from Vancouver to Ottawa to discuss ways and means of improving the distribution of milk in the city of Vancouver. It will be readily agreed that that kind of local problem can be much more easily and properly dealt with by the local authority