

*Farm Prices*

prepared to take the product, and then that will be established as the floor for whatever season is required.

Mr. BURTON: Would the government intend under this bill to say at the beginning of each season that a particular commodity comes under the bill?

Mr. GARDINER: The board will have authority to act at any time. On any day of the week they can make a recommendation to the government. Take butter, for instance. As I have said on a number of occasions during this discussion, the peak production is in May, June and July. The tendency before the war was for butter to sell at about twenty cents a pound in the summer and at about thirty-five cents a pound in the winter. I would hope that it would not be the intention or desire of anyone who may have control over this legislation to permit that to happen during the transitional period. If there were any chance of it happening, say around May 1 or in the middle of April, the board could make its recommendations to the government and action could be taken. That action might be necessary only down to October and then from October on it might only be a matter of selling the butter or putting it back on the market at whatever price level had been decided upon.

Mr. HATFIELD: My understanding of this bill is that if the price of an agricultural product goes below the cost of production the board immediately takes action to remove the surplus from the market or to bring the market price up to the cost of production, perhaps by taking the commodity off the market, putting it in storage or processing it. Is that right?

Mr. GARDINER: I was careful to see that there was nothing in the bill which said that we were going to base any decision on the cost of production. The cost of production may be only part of the consideration. I think it is possible the board might determine that the farmer should have considerably more than his cost of production because of some other experience he has had in order to get through the transitional period in a proper position.

Mr. BLACKMORE: What we are concerned about is that the time may come when the board may force the farmer to take less than the cost of production.

Mr. GARDINER: I would hope that that time will not come and I do not think it is likely to under this bill.

Mr. BRYCE: The minister has mentioned butter as an example. There is a ten cent

[Mr. Gardiner.]

subsidy on that and I should like to know if this board will blend that subsidy into the price? The butter producer gets the ten cents a pound because he cannot produce economically without it. Will this board have anything to do with that?

Mr. GARDINER: It is difficult to say what the position will be at the time. The hon. member for York-Sunbury said that he was looking forward to the time when many of these controls will be taken off. He is not looking forward any more anxiously than I am, or than I imagine many members of this house are. I would hope that at some time not too far distant some of the controls we now have will be taken off. It is just possible that some of those we would like to see removed may not be removed for a longer period than others.

The position in relation to butter is a peculiar one. We have never attempted to produce butter for export from this country; we have always tried to produce just enough to supply our own people. We make mistakes in that connection sometimes. It is just possible that if we were trying to control the price level of butter we might find ourselves with a short supply and have to purchase butter from the places other people have had to buy it in the past, namely, New Zealand or Australia. In that situation some money might have to be spent in certain directions, but I would hope that the matter could be regulated in such a way that it would be possible for the people in this country to pay for their butter at what the butter is thought to be worth. The simplest way to carry on the transaction under those circumstances would be to have the butter taken at a certain price and to dispose of it at approximately the same price, with whatever difference is necessary in order to carry the expenses of the transaction.

Then, if we have to deal with cheese, the other dairy product, we find that seventy per cent of the product is sold outside the country and only thirty per cent consumed in the country. The situation is somewhat different and would have to be handled in a different way. There is no possibility of having any price arrangement in Canada which would take care of that product entirely.

Mr. BRYCE: Milk is in the same category because it is something that is used 365 days in a year. Milk is being subsidized so that the consumer will buy more of it. Everybody tells us that we have prosperity to-day, and nobody denies that; I do not deny it myself. But what a price we have to pay for the prosperity we have! In one township in my