

*Inquiries of the Ministry*

## PRODUCTION AND RECEIPTS POLICY—PAYMENT OF STORAGE DURING CURRENT CROP YEAR

**Mr. John L. Skoberg (Moose Jaw):** In view of the proposals the minister tabled in the House, is it the intention of the government to continue to pay storage on grain during the current crop year as provided under the Temporary Wheat Reserves Act?

**Hon. Otto E. Lang (Minister of Manpower and Immigration):** Mr. Speaker, the proposals indicate an intention to eliminate the payments being made under the Temporary Wheat Reserves Act. The exact form of elimination will appear in the legislation when it is brought forward.

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[Translation]

## AGRICULTURE

## ESTABLISHMENT OF INCOME STABILIZATION PROGRAM FOR MILK PRODUCERS

**Mr. Gilbert Rondeau (Shefford):** Mr. Speaker, I would like to direct a question to the Minister of Agriculture.

Following the announcement made by the minister responsible for the Canadian Wheat Board that effective August 1, 1970, the government would propose a stabilization program through which producers would be paid the difference between their eligible returns and the average eligible returns for the five previous years—the equivalent of providing western producers with a guaranteed income—is the minister in a position to state before this House whether the government intends to set up a similar program for stabilizing the returns of dairy producers of Eastern Canada?

[English]

**Hon. H. A. Olson (Minister of Agriculture):** Not in exactly the same terms, Mr. Speaker, although I am sure the hon. member will agree that the \$115 million that we now provide to the dairy industry promotes the same cause in many respects.

[Translation]

**Mr. Rondeau:** Mr. Speaker, I have a supplementary question for the Minister of Agriculture.

Since the amount mentioned by the minister concerning the grant made to the Canadian Dairy Commission is insufficient at present, does the minister intend to re-examine that question in order to give a stable income to milk producers as he did for western farmers?

[English]

**Mr. Olson:** Mr. Speaker, there is a great deal of consideration and review now going on with respect to the future types of dairy policy which will be most useful to the dairy farmers. I am sure these are well known to the hon. member.

[Later:]

[Translation]

## DAIRYING—REVISION OF POLICY RESPECTING GRANTS

**Mr. André Fortin (Lotbinière):** Mr. Speaker, I want to ask a supplementary question of the Minister of Agriculture.

[Mr. Lang.]

**Mr. Speaker:** The hon. member for Lotbinière wants to ask a supplementary question. Is it about the previous question?

**Mr. Fortin:** Yes, Mr. Speaker, I want to direct a supplementary question to the Minister of Agriculture.

Since the minister stated recently in this House that the balance is established between production and consumption of dairy products and that he intended to carry on studies in order to review this policy, could he say whether he expects a real change in this policy in the near future?

[English]

**Hon. H. A. Olson (Minister of Agriculture):** Mr. Speaker, I do not recall saying that a normal balance has now been established. What I did say was that the policies or amendments to the policy that was introduced on April 1 of this year had been helpful in restoring the balance, in other words, decreasing over-production. There is a great deal more that needs to be done with the co-operation of the provinces so that the over-all production of both manufactured and fluid milk will be in balance with domestic consumption.

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## FINANCE

## CANADA SAVINGS BONDS—PURCHASE BY BANK OF CANADA

**Mr. R. N. Thompson (Red Deer):** I have a question for the Minister of Finance. Can the minister inform the House what portion of the current issue of Canada Savings Bonds is being or has been purchased by the Bank of Canada?

**Hon. E. J. Benson (Minister of Finance):** Mr. Speaker, the Bank of Canada does not purchase Canada Savings Bonds.

**Mr. Thompson:** Will the minister explain to the House why in advertisements which have been appearing in recent weeks in the newspapers it is indicated that a certain percentage of these savings bonds have been reserved for the Bank of Canada?

**Mr. Benson:** Mr. Speaker, I would like my hon. friend to show me the advertisements to which he is referring. When Canada Savings Bonds go through the Bank of Canada, it is a redemption of bonds coming back to the treasury.

**Mr. Thompson:** Can the minister inform the House how soon he expects to reduce the current interest rates charged by the Bank of Canada?

**An hon. Member:** After the next election.

**Mr. Benson:** I presume the hon. member is referring to the bank rate which has been reduced three times in the last four or five months. The decision as to the reduction of the bank rate lies with the Governor of the Bank of Canada.