

*Agricultural Products Board*

**Mr. Gardiner:** The minister is giving the directions as from the governor in council and he can give them in general or in specific terms.

**Mr. Charlton:** Subsection 2 reads:

The authority given by the governor in council and the direction given by the minister to the board pursuant to subsection one may be given generally or in any specific case or with respect to any particular matter.

The minister could give a general order to go out and buy all the agricultural products across the country.

**Mr. Gardiner:** I do not intend to, and I am quite sure the government would not give me the authority to do that even if I did.

**Mr. Charlton:** I am not saying the minister intends to.

**Mr. Gardiner:** You do not know the government.

**Mr. Argue:** The main reason the government could not do that is that they have only \$15 million. I do not think you could buy up all the agricultural products in Canada with \$15 million. This particular section seems to me to be the whole core of the bill. It provides that the board, directed by the government, may buy products in Canada. I have said already in this discussion that I think floor prices are exceedingly low, in particular floor prices under eggs and hogs. They should be increased and increased substantially. I think the minister should tell the committee and the country whether this board during the coming year will be in a position to buy agricultural surpluses, including those of eggs, hogs and butter. I think it is time a definite announcement was made as to what support will be given to bacon and egg prices in the future.

I certainly do not agree that the present floors are sufficient, but I think the very least the government could do with any of these floor prices is to maintain them.

**Mr. Gardiner:** As hon. members know, there have been different methods followed in securing for farmers reasonable prices for their products. The floor price method is one, and that is followed in connection with butter. It has been followed in connection with pork products. I must say that at no time since we started to follow that policy under the Agricultural Prices Support Act have we found it possible to purchase any pork products. We started out with the position that the level of prices previously paid by the British government would be augmented—I am

[Mr. Charlton

speaking just from memory—with a subsidy of \$3 paid by the government.

At the end of that period we undertook to continue a floor of \$32.50 on Wiltshire sides, and that still exists. There has been no indication from the government up to now as to when it may be discontinued. There is no date limit. It is set at \$32.50 basis Wiltshire sides at Montreal. There has been no sale for Wiltshire sides at \$32.50 since the floor price was placed on. Any price offered was considerably below the price at which pork was being sold in this country.

In spite of the fact that there have been no purchases, during that whole period there have been only one or two days—I would have to check the records in order to determine how many—when the price was below what we figure would be a proper relationship between the \$32.50 and the price of pork. It just so happened that that was very recent. We have a standing offer to buy at a rate which is represented by the \$32.50 for Wiltshire sides. I speak subject to correction, but I think that works out to about \$27.50 at Winnipeg. It is true that the price was down for a day or so to \$26.50 or some such figure, but I have no doubt that the fact that there was an offer to buy around the other price resulted in the price going back to where it was, \$27.50. It has gone even higher than that.

If it were necessary to buy up that product the government might say to this board, "You buy it and turn it over to some purchaser, whether it be the British or someone else." That would be the natural thing to refer to this particular board. But for the last two years we have not had any of it offered at that price.

We do not follow the policy of establishing a floor price as on pork in connection with eggs. Two years ago we came to the conclusion against the opposition of many people that we could serve the poultry producers, and particularly the egg producers, much better by simply taking part of the risk out of handling eggs. When the British stopped buying eggs two years ago the price went down to sixteen cents a dozen in some parts of Canada. At the end of the six weeks when the market was open we said that at the end of the year we would take all the eggs in storage at 38 cents a dozen. We told the trade and the producers to go ahead and handle their own affairs, but at the end of the season we would take the eggs in storage at 38 cents a dozen. Eggs have remained above 38 cents all the time.