

Supply—Agriculture

3. The sum of \$372,512.84, being one-sixth of the amount of items 199, 201, 204, 205 of the said estimates; and

4. The sum of \$2,223,289.17, being one-twelfth of the amount of items 19, 37, 62, 435, 436, 439 of the said estimates; as set forth in the resolution concurred in this day in the committee of supply.

Motion agreed to.

Resolution reported, read the second time and concurred in.

Mr. Abbott thereupon moved for leave to introduce Bill No. 291, for granting to Her Majesty certain sums of money for the public service of the financial year ending the 31st March, 1954.

Motion agreed to, bill read the first and second times, considered in committee, reported, read the third time and passed.

SUPPLY

The house in committee of supply, Mr. Beaudoin in the chair.

DEPARTMENT OF AGRICULTURE

560. Estimated amount required to recoup the agricultural prices support account to cover the net operating loss of the agricultural prices support board during the fiscal year 1952-53, including authority to credit to the account the net revenue received into the agricultural products board account from the sale of New Zealand meat received in exchange for beef shipped to the United Kingdom, \$32,346,000.

Mr. Charlton: I am sorry the Minister of Agriculture is not in his seat, because I should like to have some information on this item. Is there anyone here who can give it?

Mr. Abbott: I think I can, Mr. Chairman. The Minister of Agriculture could not be present today.

Mr. Charlton: How much surplus beef bought last year is still on hand, and what amount has been sold?

Mr. Abbott: First, with respect to hogs, on April 1, 1952, the agricultural prices support board held 5,492,520 pounds of canned pork produced to their specifications and had a further 92,768,454 pounds produced to their specifications up to March 31, 1953. It is estimated that by March 31 the board will have resold 25 million pounds of canned pork, principally in the domestic market, at a net loss to the board of \$6,075,000. Various pork cut programs involving 101,437,581 pounds of product have been carried out and it is estimated that about 10 million pounds of these cuts will remain on hand as at March 31, 1953. The total loss on the cuts resold to March 31 is estimated at \$2,738,828.08, which is mainly represented by the payment of certain storage, transportation and other handling charges which

had to be added to the fresh cost in calculating the net loss.

Then, I presume the hon. member would like to have similar information with respect to cattle. In this connection the major program has been one of acceptance of carcass beef for shipment to the United Kingdom in return for which New Zealand beef has been sold in the United States to offset the cost of the Canadian beef. Other programs have included the purchase of live cattle and the operation of the Canadian Co-operative Processors' plant at Swift Current, Saskatchewan, the acceptance of some boneless beef and carcass beef which are presently stored in Canada, and the acceptance of some specially prepared boneless beef which has been resold to the Department of National Defence for use by Canadian and commonwealth troops in Korea.

Up to March 31, 1953, it is estimated the board will have purchased 159,533 cattle and accepted product in the form of carcass and boneless beef as well as some live cattle. As at March 31, 1953, the board estimates it will hold in storage in Canada product equivalent to 38,555 cattle including those held alive on community pasture. About two-thirds of these cattle are stored in the form of frozen carcass beef and most of the balance in the form of boneless manufacturing beef. No cattle have been purchased since the lifting of the American embargo on March 1, 1953.

The board exported 70,210,913 pounds of carcass beef, the equivalent of 112,410 cattle, to the United Kingdom at a cost of \$31,384,000. For purposes of establishing the net loss on this operation to March 31, 1953, estimated revenue from the sale of New Zealand beef received in exchange for the beef shipped to the United Kingdom has been used as an offset in the amount of \$8,377,595, this operation resulting in a loss of \$23,006,405 in the beef account. As there are still some intergovernmental arrangements to be finalized in connection with a part of this program, some further minor adjustments may be necessary in this account, but these will be adjusted in a final audited statement and presented for approval when the board makes its recoup vote for 1953-54, at the end of the following fiscal year.

The board accepted 1,505,647 pounds of boneless beef in the buffer zone area which the board has had canned, and sold the bulk of this product to Greece with a small quantity being sold in the Canadian market. The net loss on this product was \$588,988.92. Some 812 cattle were bought and resold live at approximately cost, and the board is still