

Supply—Agriculture

advantageously meet the needs of our farmers and of the people of Canada in general.

(Text):

Mr. McMillan: I just want to ask two or three questions. I was wondering whether the annual report for 1958-59 of the agricultural stabilization board is the last one or whether there is one for 1960 as well?

Mr. Harkness: No. The 1959-60 one is not out yet.

Mr. McMillan: This is the last one I have and I did not know whether there was a later one.

Mr. Harkness: The last one was the one for 1958-59.

Mr. McMillan: At the end of March 31, 1959 inventory for commodities on hand was \$66 million. I just want to ask the minister what the amount was as at March 31, 1960.

Mr. Harkness: What page were you reading from, if I may ask?

Mr. McMillan: From the 1958-59 report, about the second page; they are not numbered.

Mr. Chairman, there are one or two other questions I will ask at the same time. I was wondering how in the non-mandatory commodities the price supports or deficiency payments were arrived at. I notice in some cases that the support prices are as high as 112 per cent of the ten-year average and they drop down to 80 per cent of the ten-year average. I am not finding fault with any particular one of these, but, for instance, wools are 110 per cent and I think there are some other commodities which go up as high as 112 per cent.

I would also like to know why most of these commodities have a support price while in the case of asparagus grown in my particular part of the country there is a deficiency payment of three cents under 18 cents. I know that if the farmer gets 15 cents at the factory and he gets his three cents deficiency payment he will then be getting the support price, or 86 per cent of the ten-year average. But in my part of the country I think, last year at least, the price fell to 14 cents and below 14 cents, so that they were not getting as much as if they had had a support price of 18 cents, which I think the minister did hope the farmers would get at that time.

Mr. Harkness: As far as asparagus is concerned there was no support price last year.

Mr. McMillan: No, a deficiency payment.

Mr. Harkness: The asparagus growers did not ask for a support price last year so apparently they did not want one.

As far as the stocks held by the board as at March 31, which I think was the date the hon. member asked for, we had at that time 63.7 million pounds of butter. There seems to have been a general idea that we were holding at that time, or subsequent to that time, something in the nature of 75 million or 78 million pounds of butter. I believe one hon. member mentioned 78 million pounds a little while ago. But that is not the actual fact. We were holding as at March 31, 63.7 million pounds. The total stock in the country was about 75 million to 78 million pounds. Naturally there are always several million pounds being held by wholesalers, retail stores, and so on. As far as eggs are concerned we did not have any. We held five million pounds of dried skim milk; 1.5 million pounds of cheese; 2.6 million pounds of raspberries; 33.5 million pounds of frozen pork cuts; 97 million pounds of canned pork—these are all round figures to the nearest one hundred thousand—and 8.3 million pounds of canned hams. These were the stocks held by the stabilization board as at March 31.

Mr. McMillan: Only one other question, Mr. Chairman. I asked the minister how they arrived at the support price of the non-mandatory commodities. In some cases they reached 112 per cent, 110 per cent, 90 per cent, 95 per cent, down to 80 per cent. I was wondering how these prices were arrived at.

Mr. Harkness: The level of support for any of these commodities is arrived at, first of all, on the basis of attempting to give to the farmer his cost of production; then in addition to that, as much above the cost of production as conditions will warrant. The best example is the one which the hon. member for Matapedia-Matane mentioned, sheep. The support price of wool is over 110 per cent and the reason is, as the hon. member mentioned, that we produce a relatively small number of sheep in Canada. It is one of the few agricultural products for which we can afford to increase production. In fact, to have a good, well-rounded agricultural economy we should be producing more sheep in Canada. Therefore we have set a relatively high support price on wool. This is one of the factors you have to take into consideration in setting a support price.

Another very important factor is whether the product can readily be stored or not. As all hon. members realize, there is only a certain amount of cold storage in the country and you cannot afford to pay a support price which will cause a terrific pile-up of a perishable commodity just because you have no place to store it. Therefore the perishability of a commodity and the amount