

The Address—Mr. Lahaye

to *La Reforme* nor any Conservative paper, for I have never seen its editor on Conservative hustings. After taking a look at the position of our dairy industry, Mr. Lavoie says this:

There is, first of all, the setting by Ottawa of a price of 17 cents a pound for powdered milk just before a federal election, whereas organized producers never asked for such a price and their maximum claim stood at a fairly lower level. A complete organization was then developed in processing plants in order to take advantage of that very high price, which resulted in a considerable production increase.

Mr. Speaker, as I said a moment ago, this was in the December 6, 1961 issue.

Mr. Deschatelets: Mr. Speaker, would the hon. member permit a question?

Mr. Lahaye: Certainly.

Mr. Deschatelets: Does the hon. member know that according to the most recent 1961 statistics, prices paid by Canadian farmers have increased while their income has been lower than for the previous year?

Mr. Lahaye: Mr. Speaker, I think I should call it six o'clock, and I shall answer the question of the hon. member for Maison-neuve-Rosemont after recess.

(Text):

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

(Translation):

Mr. Lahaye: Mr. Speaker, before recess, the hon. member for Maison-neuve-Rosemont (Mr. Deschatelets) asked me a rather ambiguous question. Since he knows a lot about agriculture, I am sure he will find in my remarks a clear and exact answer to his question.

However, I could tell him that he may find an answer right now to part of his question if he reads an article which was published in *La Presse* on February 2, 1962, concerning the federal bureau of statistics. Its title is:

Higher income for farmers in 1961.

That, in itself, already contradicts what he implied in his question.

The article in *La Presse* reads as follows:

According to federal bureau of statistics figures released today, the income of Canadian farmers has reached a new high of \$2,928,900,000 last year. A DBS survey shows also that the farmers' income went up for all types of crops, except potatoes, oats and barley.

The total farmers' income, not including deficiency payments, was 5.3 per cent higher than in 1960 when it reached \$2,761,000,000. The previous record, which dates back to 1952, was \$2,839,100,000.

[Mr. Lahaye.]

Last year, agricultural income went up in seven provinces. However, there was a decrease in New Brunswick and Nova Scotia due to the drought and disease which affected the potato crop. No statistics were released for Newfoundland.

Mr. Speaker, this is a rather conclusive answer to the insinuation made by the hon. member for Maison-neuve-Rosemont in his question.

I shall now take up my speech where I left off before recess.

I was saying that the obviously political stand taken by the Liberal party was designed to increase its popularity in rural areas on the eve of the election. It is that attitude which led to the unfortunate situation of the dairy industry today.

At a price of 17 cents a pound, that most precious commodity was a determining factor in the establishment of some 20 milk powder processing plants. It was really gold powder.

As a result, butter fat stocks went up considerably. We can see to what extent those people have lost all sense of proportion. While the minimum price of butter was set at 58 cents a pound, the minimum price for skim milk powder was fixed at 17 cents a pound. You could not have a better example of a complete lack of good judgment, a complete lack of everything that could help to alleviate the situation. Honestly it is contrary to common sense.

As a result, we have seen our powdered milk surplus pile up quickly and become in no time a burden that could not be supported. Our butter surplus also grew tremendously.

The floor price of butter is set at 58 cents per pound and the floor price of powdered milk at 17 cents. What nonsense.

I ask you, Mr. Speaker, do you think the farmers of Quebec and Ontario—the two butter and cheese producing provinces—will want to rely on the Liberal party and go back to chaos?

On the other hand the Conservative government immediately took the required steps to remedy that senseless situation.

The minimum price for butter was fixed at 64 cents per pound, and a 25 cent subsidy has been added since.

I state, as a matter of principle, that, under no considerations whatever, must the minimum price of butter or subsidies be removed, because present conditions in the dairy industry of the province of Quebec,