

Interim Supply

figures from Alberta, and there might be a slight difference with respect to figures between the provinces.

These figures are based on a check for the last two weeks of March of this year. Tests of the milk in question happened to be 3.5 and since prices are based on 3.5 milk the figures give a good example. Out of a total of 15,618 pounds of milk sold by one farmer in two weeks, he received the quota price on 5,932 pounds, which was \$5.60 a hundredweight. On the remaining 9,686 pounds he received the market price of \$3.25 a hundredweight, making his average price \$4.15 a hundredweight. This is a long way from the \$4.65 that manufacturing milk shippers may receive this year.

● (10:10 p.m.)

The use of the word "may" in this case was intentional. I informed this man that he would receive no quota, having shipped some of his fluid milk. I must say that he would not believe me. He said, "This could not be possible." He said, "We got it last year and will get it this year." Unfortunately he will be disappointed. We are talking about fluid milk shippers or shippers of distribution milk; it is the same thing. They ship to a plant which pasteurizes and distributes milk on the street.

The minister states that these producers are under provincial jurisdiction. Certainly their quota portion is under provincial jurisdiction because the price is set by commissioners or milk boards or some similar body in each province. The manufacturing portion of their milk is not under provincial jurisdiction. The minister cannot show me evidence that it is or ever has been. To say that it is, is ridiculous. The minister, however, has said this in the house over and over again. Let us be kind and say that instead of being guilty of perpetrating a hoax he just does not know the facts.

If this is so, if what the minister says is so, why did the shippers receive some subsidy last year? What has happened? In other words, what arrangements have been made with the different provinces? I mean by this that each and every province in Canada then would have to pay a subsidy on the fluid milk shippers' surplus. If they did, what would the other shippers think of this? What would their neighbours think? Just consider that. The new dairy commission is to pay a subsidy by quota, and that quota will be the same as the amount on which the subsidy was paid last year. What would happen if the fluid milk shipper was forced to switch to selling manufacturing milk? I should like to know

how much quota they then would have on which they would be paid a subsidy. Will it be just the amount they received last year over 120 per cent of their fluid quota? If so, it could be very very little; it could amount to just a few pounds difference.

How should one expand under this new quota system? Is any provision made? If there is, it certainly is not spelled out. I cannot find it either in the dairy policy or in the proclamation by the Canadian Dairy Commission. Fluid milk shippers are so discouraged that many are contemplating going out of business. To prove this, all that is necessary is that one look at any weekly publication in any place in Canada; but of course, I only know about the publications in my own area. In one little paper I noticed last week that there were seven dairy disposal sales. These were sales involving 31 head of cattle, 27 head of cattle and so on. I do not think this is something which is normal. However, this is the situation all over Canada. In order to stop this, the provincial boards—and I am speaking now of the boards which regulate the price of fluid milk—are increasing the price of fluid milk. The price goes up on the street, and what happens? If you do not think it is going up, read the papers. Every day you will find reports that milk is going up, that milk shippers are to receive more money, and so on. This certainly is true across Canada.

The price of beer, liquor and cigarettes can go up with no seeming effect on sales, but let the price of milk go up and sales immediately drop. We cannot change human nature, so we cannot do anything to manage this. When the sales drop on the street the fluid or distribution shipper sells less milk on quota. I believe this has been mentioned before, but I wish to emphasize it because it certainly is true. At the higher price he sells less on quota. Therefore he gains little or nothing.

A ridiculous situation is arising where a man who has more money invested and extremely higher production costs in comparison to other shippers, and who operates under very strict regulations and inspections of premises, can, and in many cases will, receive less than his neighbour who sells manufacturing milk. I am certainly in favour of additional income for the producer of manufacturing milk. In some places he may receive \$4.65 per hundredweight; in other places he may realize much less than the \$4.75 which is mentioned in the dairy policy. This figure of \$4.75 may be taken by some to be a guaranteed price, but it is not: It is just a hope.