

THE SENATE

Tuesday, March 28, 1950

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

AGRICULTURAL PRODUCTS BILL

SECOND READING

Hon. A. K. Hugessen moved the second reading of Bill 16, an Act to amend the Agricultural Products Act.

He said: Honourable senators, I think I must first apologize for the form in which this bill comes before us. It has been distributed to members in the form in which it received first reading in the other place. I am advised that the Printing Bureau was unable to get the bill ready in third reading form in time for distribution to us now, but as the bill was not amended in the other place, the form in which you now have it on your desks is really the same as the form in which it passed the House of Commons.

Honourable senators, the bill is a simple one consisting of a single clause. Its purpose is to amend the Agricultural Products Act, which expires on March 31 of this year, in such a way that it will not expire until March 31, 1951.

Honourable members will recall that the Agricultural Products Act was first passed by this parliament in 1947, and was adopted for the purpose of enabling the government to negotiate and carry out contracts with other countries for the sale of agricultural products other than wheat. The Act as passed in 1947 provided for the setting up of commodity boards to attend to the marketing of the particular products in respect of which contracts might be entered into. It gave power to the government to require the shipment or delivery of agricultural products in order to fulfil contracts which might have been entered into. By its terms the Act as originally introduced expired on March 31, 1948. Since that time it has twice been extended: once in the session of 1948 and once in the session of 1949, and on each occasion the extension was for a period of one year. The bill now before us provides for a further extension of one year.

I may say for the information of honourable members that at the present time there are only two food contracts now in operation under the Act, and both of these are with the government of Great Britain. The first is a pork products contract covering the sale of 60 million pounds of pork and bacon at 32½ cents per pound. That contract is

administered by the Meat Board, which is one of the commodity boards set up under the Act. The second is a cheese contract providing for the sale of 85 million pounds of cheese at a price of 25 cents per pound. That is the price which the British government pays. There is also a bonus of 3 cents per pound which the Governor in Council pays to the producer. This cheese contract is administered by the Dairy Products Board. Both of these contracts were entered into for the current year, 1950, but I am informed that it is altogether probable that they will both have been completed considerably before the end of the current year.

There are two basic reasons for the enactment of this legislation. The first is to continue the statutory sanction for the carrying out of the two existing agreements to which I have just referred; the second is to enable the Governor in Council to negotiate new agreements for future years, if it should be found possible and advantageous to do so.

There is one consideration which I think honourable senators should bear in mind. It is a truism, of course, to say that in the past the historical market for many of our agricultural products has been in Great Britain; and we hope that that situation will continue in the future. The present British government is wedded to the idea of bulk purchases by one government from another, and is reluctant to deal with private sources of supply. In fact, I am advised that this is so much the case that it is extremely doubtful whether Great Britain would have bought any Canadian pork products this year, had it not been for the fact that under this legislation our government had the power to enter into a contract with the British government. And that constitutes, perhaps, a further reason why the continuation of this Act is advisable.

I do not think there is anything further that I need say in explanation of the bill.

Hon. John T. Haig: Honourable senators, normally I would not be in favour of selling and buying by the government. I do not think the world will ever get back on its feet until we resume the old system of trading, whereby individuals in one nation sell to individuals in another. However, we have entered into two contracts under this legislation, and they could not be carried out unless this bill was passed. I presume the house knows that in both contracts we are bonusing the Canadian producer. To that principle I am desperately opposed.

Hon. Mr. Euler: Hear, hear.

Hon. Mr. Haig: I think that leads inevitably to disaster. The United States furnishes perhaps the best possible example of the terrific