

Agricultural Products Act

their cheese than farmers are getting in Wisconsin, which is the best cheese-producing state in the union.

Mr. Hackett: They do not make as good cheese.

Mr. Gardiner: Well, we think it is not as good, but a short time ago it was selling at a much higher price than ours.

Mr. Hackett: It has no status in the foreign market.

Mr. Gardiner: It has a fairly good status in the foreign market. I understand seven million pounds were sold recently to the British market because of the fact that we have not sufficient to supply that market.

Mr. Tustin: At 32½ cents a pound.

Mr. Gardiner: Then let us take hogs: B-1, dressed, Toronto, March 5, 1949: \$30.60 per hundredweight; Winnipeg, March 5, 1949: \$27.85 per hundredweight; Chicago, dressed weight, February 26, 1949: \$27.01 per hundredweight. So we had prices in Chicago lower than in Winnipeg, and considerably lower than in Toronto. Then, take eggs, shell, grade A, Montreal, March 11, 1949: 47 to 49 cents a dozen, and in New York they are 48 to 52 cents a dozen; in Chicago, 45 cents a dozen. Egg prices are lower in Chicago than they are in Montreal and slightly higher in New York than they are in Montreal. Under the United Kingdom agreement eggs, frozen, are 32.5 cents per pound. On March 12, 1949, No. 1 feed barley, Fort William, was \$1.07 per bushel. At Chicago feed barley was selling from 93 cents to \$1.18. In other words, there is a variation which runs from somewhere below our price to somewhere above our price. Oats are a little higher in price in the United States. No 2 oats at Fort William were 74 cents for a thirty-four pound bushel. At Chicago the price of a thirty-two pound bushel was 77.5 cents.

When one takes another look at these prices, one realizes that the prices of the commodities that are being fed with oats and barley are a little higher in Canada than they are in the United States, whereas oats and barley themselves are a little higher in the United States than in Canada. What I wish to point out, Mr. Speaker, with regard to these products for which we have agreements, is that those agreements make it possible for us to sell this produce at better prices on the British market than we could obtain at the present time in the United States market, the difference is greater than the price indicates if you deduct from those United States prices the freight and duty on those products entering the United States,

you find the margin is very much wider than would appear from a quotation of the prices.

Having said that, I call your attention again to the fact that an emergency does exist in connection with the marketing of our farm products. This emergency grows out of the emergency that existed in the war and through 1946 and 1947. The fact is, at that time, we had adopted lower prices in this country than those in the United States and denied our farmers the right to sell their produce in the United States at prices which were higher than those we charged our own customers. The United States prices were higher than the prices we charged the British. This makes it essential that we should continue that emergency during a transitional period and ask our own people as well as the British people to pay prices a little higher than those obtaining in the United States. I repeat, Mr. Speaker, there is a continuation of an emergency which was created during the war when we followed a practice of supplying food at prices stabilized downwards to those of our allies who required food. We are carrying on the same principle but stabilizing upwards through this transitional period, and without this legislation that could not be done.

Someone has said that in order to do it, even under this legislation, you have to interfere with the jurisdiction of the provinces. Of course we have to do that, Mr. Speaker. According to the constitution of this country the federal government has no authority whatever to go into the provinces and forcibly take delivery of food in ordinary times. This can only be done during emergency periods. We have no authority to go into the province of Ontario and take dairy products from that province in which they consume more dairy products than they produce. We have no authority to go into the maritime provinces where they consume more dairy products and more eggs than they produce; we have no authority to go into British Columbia and do the same thing. Most of the products about which we are talking, British Columbia consumes in greater quantities than they are produced in that province. Under conditions of that kind, it is only the provincial authority that has a right to go into the farms of those provinces or into the places of business in those provinces and say we are compulsorily taking delivery of the products that are being marketed in this particular province. It is true we might do something about the surplus of hogs, the surplus of cattle, the surplus of eggs and dairy products going out of the prairie provinces. There is not sufficient population in the prairie provinces to consume those products and, therefore, we have