

Support Prices for Dairy Products

out to three organizations with emergency needs. I now have the pleasure of indicating federal approval of grants totalling \$142,800 to provide urgently required assistance in connection with various national and international competitions as well as other projects in the field of fitness and amateur sport. These are also being made available on an ad hoc basis on the recommendation of the national advisory council pending the final working out by the council of suitable criteria for the making of such grants.

They will be charged to the program's allocation for 1961-62, as will the \$30,000 grant which has been provided to assist the British Empire and commonwealth games association in sending a Canadian team to the games in Perth, Australia, later this year. Also charged to the program's initial allocation is the \$35,000 grant to the Calgary Olympic development association which I announced in the house last week. Taken together, these various expenditures add up to some \$473,000 in assistance made available during 1961-62, which I believe represents very substantial progress for a program of such recent origin and complexity.

AGRICULTURE**DAIRY PRODUCTS—FURTHER ANNOUNCEMENT
RESPECTING SUPPORT PRICES**

Hon. Alvin Hamilton (Minister of Agriculture): Mr. Speaker, on March 22 the Acting Minister of Agriculture announced the dairy support program for 1962-63. The house will remember that the acting minister said there would be consultations among the officials of the government, producers and processing organizations. Since that time consultations have been held with the producer and processing groups concerned with the production and handling of dairy products. There was general agreement on the wisdom of the government policy aimed at increasing consumption on the one hand and decreasing production on the other. However, the fluid milk producers and cheese producers asked for modification of the program in so far as it affected their groups.

The cheese producers asked that the support price of last year be retained and, therefore, it would not be necessary to pay them extra compensatory payments. The fluid milk producers asked for a year's postponement before the compensatory payments were denied to their surplus milk.

Since Ontario and Quebec are the main dairy provinces, I asked their ministers of agriculture and their staffs to meet with me. It had been agreed since last spring that because of the divided jurisdiction between

[Mr. Monteith (Perth).]

provincial and federal governments relating to dairy products, there should be joint planning and action. The agricultural ministers of the other provinces know that I have been consulting with Quebec and Ontario during the last 12 months.

Following a full discussion with the two provincial government representatives last Wednesday, the federal government has decided to authorize the agricultural stabilization board (1) to buy butter at 64 cents per pound as last year and resell at 52 cents per pound; this is to give an incentive to consumption; and (2) to leave cheese at the same level as last year.

Thus the support levels and the agricultural stabilization board's purchase prices for dairy products will be retained at the same level as during 1961-62. In addition the compensatory payment of 25 cents per hundred for milk for manufacturing purpose, exclusive of surplus milk from fluid producers, will continue to be paid. This policy should maintain returns to all segments of producers at the same level as during the current year.

The fluid milk producers of Ontario are giving us written assurance that their association will work with the provincial government of that province and other producers of milk to set up an integrated milk marketing plan for Ontario this year. The representatives of the provincial government of Quebec have indicated that there will be provincial legislation this session to allow for setting up of a producers' board in that province.

The significance of this will be appreciated by milk producers everywhere. It means that if Ontario and Quebec set up producer controlled milk boards then a tremendous step forward will have been taken toward the time when producers will have a greater say in their industry. Needless to say, the federal government will be glad to see this movement spread across Canada. The milk industry of British Columbia is a good example of producers handling their own business successfully. We feel that the whole country benefits when producers co-operate democratically to solve problems of supply and price. For that reason the fluid milk operators will get the year's postponement requested, with the understanding that the federal government will not support the price on their surplus milk after April 30, 1963.

Mr. Fleming (Eglinton): Is not the hon. member for Essex East going to say something?

Mr. Arnold Peters (Timiskaming): I imagine the milk producers will be very much pleased to hear the announcement made by the minister. The country also will be pleased to know that serious consultation is taking place