

## Supply—Agriculture

market and at the same time get off the hook for having caused unused surpluses of beef to accumulate here. From his point of view it seems to be quite beside the point that the so-called surplus is an artificial one. It was caused by the arbitrary high price level which he has imposed on Canadian consumers.

Canadian producers thus continue to get a price slightly higher than that in the United States, and avoid the rational course of permitting beef to find an economic level in terms of both world and domestic markets. In these circumstances there is neither economic sense nor justice to Canadians in this new excuse for a subsidy to be paid out of taxation.

It is rather interesting to read this article, just to see how far from the facts it really is. To prove it is wrong, I read the first statement:

But the sole reason for the subsidy is that Canada's official floor price of twenty-five cents a pound makes our price the highest in the world.

There are two editions of the *Globe and Mail* each day, so on Monday night I bought another copy of the *Globe and Mail* and on the market page of that publication dated May 13 I find this market report, "Steers go higher as floor prices adjusted here." It reads:

Steer prices jumped \$1 to \$2 here yesterday following the Ontario stockyards cattle price adjustment to the Department of Agriculture's floor price program. The market was strong to \$1 higher on cows and bulls. The estimated hold-over is 2,000 cattle.

Choice steers sold from \$26-\$27.50, with good steers at \$25-\$26 and medium steers at \$23-\$24.50.

In the morning this paper had said our prices were the highest in the world, and that was the price at which steers were being sold on the market on May 12. On the same page but lower down the newspaper quoted the Chicago livestock market report. On the Chicago market on May 12 the price of prime steers was \$35-\$37.50 and choice steers \$34-\$34.75. Those who are engaged in the cattle business would agree that choice steers here would be sold as good steers on the Chicago market, which would mean that they would be sold at \$34-\$34.75 as compared with \$26-\$27.50 on the Toronto market.

I am suggesting that the minister and his department have done a good job. I think the wisdom of the application of this price support program is self-evident. The best proof of that, I suggest, would be an article I read not long ago in one of the farm journals which compared prices in the United States and Canada. In the United States with its high support prices and large surpluses as a result of those high prices, their costs were immeasurably higher than ours. In spite of all this, in 1951 the Canadian farmer received a little better than 12 per cent of our national income, while

our cousins in the United States were receiving a little over 6 per cent.

**Mr. Bryce:** Can the minister tell us which item provides for any loss that may take place as a result of the exchange of meat between the United States, New Zealand, Great Britain and Canada. Is that under the support act, or is it under some other act?

**Mr. Gardiner:** It is not in any of these estimates yet. It will come in next year's supplementaries.

**Mr. Bryce:** Does it come under this support act?

**Mr. Gardiner:** It will come under the prices support act.

**Mr. MacKenzie:** Before the item passes, I should like to make inquiries about eggs. Has the department purchased any eggs, and if so has there been any loss?

**Mr. Gardiner:** We have not been required to buy any eggs in the two and a half or almost two and three-quarter years past. This year we did find it necessary to buy some eggs in the Saskatchewan area, the reason being that there was no cold storage for the eggs in that area. Eggs had to be sent from there to either Winnipeg or Calgary. The government did purchase some eggs in Saskatchewan at 30 cents, starting in May and continuing down to the present time.

**Mr. MacKenzie:** There has been no loss?

**Mr. Gardiner:** There is no loss. A few of them have been sold, but not at a loss. We are not in a position to say there will not be any loss, but there has been none to date.

**Mr. Hosking:** I realize the minister himself deserves a great deal of credit for the arrangement he made for disposing of our beef. I am certain that many members of our agricultural communities pay him the tribute he deserves. I would imagine, however, that some of the staff who were closely connected with these negotiations had an important part to play in the exchange which sent our beef to Britain when it was shut out of the United States market. This eliminated a glut on our own market. I think this is the proper time to pay tribute to the members of the staff who took part in the negotiating of that agreement.

Having said that, I should like to suggest to the minister that he keep an eye on the facts that the debate in this house must have called to his attention in the past few days, showing that rural areas in this country are rapidly becoming depopulated. This could have far-reaching effects on the economy of this country. My riding is made up of two