

SUPPLY

The house in committee of supply, Mr. Robinson (Simcoe East) in the chair.

DEPARTMENT OF AGRICULTURE

Administration service—

1. Departmental administration (including advisory committee on agricultural services), \$496,998.

Mr. McCullough (Moose Mountain): Mr. Chairman—

Right Hon. J. G. Gardiner (Minister of Agriculture): Mr. Chairman, the estimates for the Department of Agriculture for this year are down slightly but only slightly, and one could say they are practically the same as they were a year ago.

There will be explanations to make as we go along with regard to the different items and it is not my intention at the moment to deal with the different items further than to state what I have said.

Two or three matters which have been discussed rather freely since the beginning of the session concern agriculture. I did not discuss them on the address because they had already been listed for discussion on the order paper and two of those matters have since been discussed and I do not intend at this time to say anything with regard to them.

One of these matters was the 5 per cent loan and another was the payment of storage costs. There were other matters which could more properly have been brought up on my estimates which have also been discussed. I have mentioned the first two and the others have to do with farm production and marketing problems in general, all of which affect farm income across Canada, and I intend to confine my remarks largely to those matters which have had some discussion from day to day but no complete discussion.

We hold a conference in Ottawa in December of each year which is attended by ministers and officials from right across Canada from the different departments of agriculture across the dominion, and last year we had a representation of the farmers' union from two provinces, the province of Saskatchewan and the province of Ontario. In addition to that we have representatives of the different countries with which we trade in agricultural products either through importing agricultural products from those countries or shipping agricultural products to those countries, and then we have the press, particularly the agricultural press, represented at that conference, who take down any of the discussions and make them known to the public.

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We have had papers prepared on Canadian and world conditions as related to the purchase of Canadian farm products and the possible production to meet known markets at home and elsewhere. The reading of these papers has been followed by discussions which have resulted in the leading agriculturalists from across Canada carrying a message to farmers from wartime until now which has brought about certain results. The first is that areas utilized for the production of apples, potatoes and most special products excepting tobacco have not changed greatly. Surpluses of these products go to the United States, Britain and South America and we do make some exports in small amounts to other countries.

The second is that while there has been little change in the production of milk there has been considerable adjustment in the use made of milk in order to meet the condition under which our dairy products are marketed in Canada.

The third is that it was found advisable to adjust our production of eggs and pork to the requirements of the Canadian and the United States markets.

The fourth is that considerable surpluses of farm products have been confined almost entirely to cattle, barley and oats, and these have gone chiefly to the United States, and to wheat which has gone to Britain and to some other countries.

In 1954 we exported \$236 million worth of farm products to the United Kingdom and \$235 million to the United States. There is just a million dollars difference between the quantities that we sent to the two great countries to which we export goods. To other countries we exported \$382 million worth of agricultural products. The greater part of our exports to the United Kingdom are wheat and flour and the greater part of our exports to the United States are grains for feed, seed and brewing. In addition to that we export live animals and animal products.

I wish at this time to spend a little more time on dairy products and particularly butter than any of the others that I have dealt with in the distribution of problems which concern us at the present time.

Those problems are concerned first with the production of farm products and later with the marketing of them.

There is one which has raised quite a bit of controversy in the country and that is the question as to how our plan has been developed in connection with butter and what the present condition is in relation to it. I thought it best to deal with that at once in order that the information might be on the record to be