

noon that because we had suggested that wheat acreage be reduced for the time being we were really paying the farmers to decrease production. If he had applied that statement to the efforts of the government in relation to wheat only, it would have been a statement of fact; but when one takes into consideration the further fact that the government made those payments in such a way as to increase the production of feed grains and in turn increase the production of live stock products, it cannot be said that the policy was intended to lower the production of food products. If the policy had been adopted for that purpose it certainly failed, because in 1942, 1943 and, as far as we can tell, in 1944, as was stated this afternoon by the hon. member for Halton (Mr. Cleaver), our production has increased by at least fifty per cent. While hon. gentlemen opposite may not agree I venture to say that, making allowance for the fact that we had good weather in some of those years, these results have come about almost entirely from the policy that was announced and put into force by this government in relation to agriculture. So that I say the fact that we shall have had two very good crops and one average crop during the period of price ceilings should be taken into consideration in the post-war or transition period, and that farmers who were denied higher returns during war time should not be denied a fair return on their products simply because in some of the years following the war the yields may be very high.

One of the questions asked directly was this: Is this bill intended to make this country self-sustaining? I would put it in a little different form and say, if the question is whether this bill is intended to promote the production of everything we need in this country, or all the food products that we might desire to have in this country, then those of us who had to do with the drafting of the bill had no such idea in mind and did not intend that the legislation should be used for that purpose. The hon. member for Lethbridge was very much concerned as to how we were going to raise the money. He spoke of this \$200,000,000 as an amount of money that had to be found somewhere in order to carry on the activities contemplated by this measure. Of course the \$200,000,000 is a revolving fund. If a market can be found for all the products over which the government may take control, owing to the fact that they have taken charge of those products at floor prices through some of the organizations provided for in this legislation; if the government can dispose of all those products at floor prices, it will not

be necessary to raise any money by taxation or in any other way. In other words, the \$200,000,000 is provided in order to have a fund from which to purchase the commodities, or with which the purchase of commodities may be made. Those commodities may be some I mentioned in my speech this morning. One commodity might be butter purchased in the months of May, June and July, put in storage, and put back on this market at possibly the same price in the winter months with the costs added to it.

If the whole \$200,000,000 were used for transactions of that kind, then, of course, it would not be necessary to raise money from taxes, or to issue paper money, or to do anything else of that kind, in order to get the money that would be necessary with which to carry on activities under the bill. But if, on the other hand, in dealing with some of these products we were to find it necessary in order to provide floor prices, which we think are essential to give the farmer a proper return, to place the products on this market in Canada, or on any other market at a price lower than that which we had paid under the floor, then it might be necessary to take part of the \$200,000,000 in order to make up the difference between the price paid to the farmer for the surplus, and the price received from whatever country we were sending it to. In other words, there might be part of the money which would have to be found by general taxation, or in some other way. But to the extent that products can be disposed of at any price at all, the price received for them, or the money received for them, will go into this revolving fund. And if we make up \$200,000,000 through transactions, it would not be necessary to raise anything by taxation.

Mr. STIRLING: In connection with a transaction such as that referred to, would the storage costs be paid for by money provided by parliament, or would they be charged against the \$200,000,000?

Mr. GARDINER: I should not like to be too definite in my answer, because this is a matter which would be placed under a board, and which will be dealt with by the governor general in council from time to time. I should judge, however, that if the transactions in the products make it possible to have a balance, the costs would be taken out of the transactions in the products themselves. But if there were a case where a certain amount of money was being paid in order to maintain the price at a certain level, then I would not wish to be too definite as to what the board might decide to do. Just as is being done now, I think different products might be dealt with in