

solved. There is no way in which this can be achieved by removing two-thirds of the farmers from the farms. I have personally witnessed in the dairy industry in my own locality a number of dairy farmers selling out because the returns are not sufficient to enable them to continue to operate. Anything that can be done to increase the returns to dairy farmers in Canada is certainly worth while. The minister has taken some action in this respect, and we hope that this is an indication of better things to come in the future.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I think that the minister has certainly been well advised to make these changes in light of the changes that have taken place in marketing conditions. This statement indicates the situation that has developed in that it has been extremely difficult for the Canadian Dairy Commission to forecast adequately the changes that have taken place in market demands for dairy products and it is now trying to catch up with the changed situation. This points up the need, not only in the dairy industry but in other aspects of agriculture, for those who are now in the business of planning and programming the farmers—that is what they are trying to do—to get more accurate information or be more careful about their programming and the planning, either the one or the other.

I suggest to the minister that he read an editorial which appeared recently in the *Western Producer*, a western Canadian publication. In it there is the most severe condemnation of a government policy that I have ever seen. They say that this program, along with the red tape and other forms of torture, has rapidly thinned the ranks of cream shippers, and is one of the cruellest things that has been done to the cream shippers of western Canada. While I admit that the Dairy Commission has been willing at times to listen to representations on behalf of individual producers, the total effect on the ordinary cream producer in Saskatchewan has been really rough. They have suffered as a consequence of the policy being followed which is forcing a specialization that is resulting in the same kind of syndrome as that experienced in Ontario where the manufactured milk shipper is helping to create an added surplus of milk powder, whereas if the ordinary cream producer were given a break he would feed some of that byproduct—

Mr. Speaker: Order, please. I hesitate to interrupt the hon. member but I believe it is my duty to remind him and others who may be speaking after him on this ministerial statement, as well as those who have spoken before him, that the Standing Order requires that statements at this time should be brief. As I have said before, it is always difficult to estimate what brevity is. Perhaps the hon. member thinks he is being very brief in making his speech. It is difficult for the Chair to indicate to the hon. member that he should not prolong his remarks too much, but I would invite him at the first opportunity, during the current sitting if possible, to bring his remarks to a close so that we can continue with the consideration of the matter raised by the hon. member.

Dairy Subsidy Holdback Rates

Mr. Gleave: Thank you, Mr. Speaker. I shall try to be brief. I shall finish very quickly, but there are so few opportunities for members to call to the attention of the minister what he is doing to the ordinary cream shipper in Saskatchewan that I feel it necessary to do so now. Perhaps to some extent we can impress on these planners that they really cannot deliver a total Utopia to the western producers and that very often they are delivering disaster instead.

[Translation]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, today the Minister of Agriculture (Mr. Olson) deserves some congratulations undoubtedly due to the circumstances prevailing on international markets and to some other causes.

He has announced a reduction for producers under the quota system. They used to be asked 26 cents per hundred pounds for export assistance, but they will now have to pay only 20 cents.

As for the holdback on over-subsidy quota, it will be lowered to 20 cents per hundred pounds, while that on cream will be reduced from 8 to 5 cents per pound of butterfat.

However, I think that the producers are now concerned about shipments and even if the penalty of \$2.40 is reduced by 35 cents when shipments are over the allowed quota, I should like to bring this point to the attention of the minister, because I feel that this is what is now doing so much harm to the average and small producers, the big ones having had time to make proper arrangements before being hit with a fine. The minister would do well, in the future, to pay more attention to the small producer.

Today, the minister tells us that this improvement was brought about by the demand on the world market, but I wonder if that is the reason for the apparent improvement. If the dairy market shows some balance today, I believe that it is due to a large reduction of the dairy herds, especially in Quebec. Instead of stimulating production, farmers were forced to sell their herds, to stop production, in order to ensure this balance. The fault lies not so much with the fact that surpluses have been eliminated as with the lack of aid.

Today, under-consumption is caused by the government that has not come up with a policy to promote greater consumption of dairy products. If the farmers who have held firm benefit from this, I am happy and, once again, I ask the minister to come to the aid of the farmers who want to increase their returns. But, all the time the cry is heard: "They must die." I believe that the large producers should set an example and stop shouting: "They must die." Some of them should die once in a while so that the small and average farmers may live.

I thank the minister for his statement and I hope that as soon as possible he will reduce these fines which the farmers can no longer "digest".