

*Supply—Agriculture*

spend money in this way on one hand and then partly destroy the benefit by bringing in foreign products.

**Mr. Blair:** Could the minister say what qualifications exist with regard to the building of new factories before a grant will be made? How big would the factory have to be, and what installation would be required in the way of equipment and storage before anyone could qualify?

**Mr. Gardiner:** No particular sum is set. This started with the idea that there were quite a number of plants that did not have proper refrigeration facilities. The amount of cheese being produced in some of these plants was not sufficient at the price then ruling—it was at that time down to around 10 or 12 cents a pound—to make it worth while for either individuals or co-operatives, such as the hon. member is familiar with in his section of the country, to purchase and instal these facilities. So, the government inaugurated a plan to encourage this development by paying 50 per cent of the cost. It did not make any difference whether it was a large refrigeration plant or a small one; it was whatever was required to serve the purpose of the particular plant.

Then, too, we had in mind at that time that where there were two plants in a community and one would probably do better than the two could, we might bring the two together and have a larger plant which would be more in the interest of the people of that area. Accordingly, we offered to pay half the cost of bringing this about, and this act was set up for the purpose of assisting in that way.

Item agreed to.

550. Assiniboine river—diking and cut-off—further amount required, \$95,000.

**Mr. Dinsdale:** Could the minister give some details on this particular item? What section of the Assiniboine does it concern?

**Mr. Gardiner:** This expenditure was made necessary by flooding in the neighbourhood of Portage la Prairie. We had a vote of \$200,000, I think it was, last year to take care of diking on the Assiniboine river in the vicinity of Portage la Prairie. At the point when we have floods the water breaks through and flows down the country to the south of Portage, destroying the crops.

A year ago most of that work had been done but it had not been completed, and when the floods came down in the spring and began to flow over the dikes, P.F.R.A. put an outfit there. We had no time to enter into any discussions with anyone; we decided that the flooding should be prevented if possible. We went at the diking without being

[Mr. White (Middlesex East).]

too particular what the costs were, with the result that the additional cost is represented in this additional vote which we are asking now.

Item agreed to.

551. Estimated amount required to recoup the agricultural prices support account to cover the net operating loss of the agricultural prices support board during the fiscal year 1956-57, \$5,019,100.

**Mr. Montgomery:** I would like the minister to give us a breakdown, if he would, showing us how much was paid for each product—potatoes, eggs, and so forth—for last year.

**Mr. Gardiner:** The board's operations during the year have involved the use of from \$50 million to \$60 million of working or revolving capital. At various times important programs have been approved for eggs, butter and hogs. There has been no cost in respect to hogs, since the price has been above the support price throughout the year, although in the spring of 1956 it approached the support level very closely.

In the case of eggs, the board has been purchasing outright in recent months but no estimate of loss is included in the current fiscal year, since this program is still in process. Hon. members will remember that there were questions asked two or three weeks ago regarding the position of egg producers, and I indicated then to the house that we were buying eggs and putting them in storage, and that we were not certain whether or not we would take a loss on these. We are still in that position, but I am just indicating that we have purchased those eggs. Possibly we shall take a loss, but we could make a little profit.

The amount of approximately \$66,000 was returned to the consolidated revenue fund as profit under the estimates dated March 31, 1955. With respect to 1954, butter is included in the total amount of \$237,547. For the purpose of calculating an estimate of losses, the following near or estimated amounts of loss have been included. This, of course, takes into consideration what I have just mentioned, namely that we are not yet in a position to say how much it might be with regard to eggs; moreover this may be the case with regard to certain other products. For 1954, butter, it was \$237,547, but that butter had been carried into the succeeding year. In 1955, butter, it was \$4,094,461; in 1956, \$500,017; in 1954, eggs, \$506; in 1955, potatoes, \$4,831; in 1955, apples, \$181,738, making a total of \$5,019,100.

**Mr. Montgomery:** I did not get the figure for potatoes.

**Mr. Gardiner:** It was \$4,831.