

*Supply—Agriculture*

to what would be the best cure for these problems. Most of the suggestions had to do with the cutting of prices and it was also felt that surpluses should be curtailed to some extent at least in order to remedy the situation.

I should like to emphasize particularly that where there is a possibility that the government may want to curtail the prices of certain commodities I feel that the government should consider increasing the prices of other commodities that are not in surplus production as a means of balancing and offering some special incentive to the farmers to curtail the production of those things that are in surplus and go into the production of things that are not in surplus and be compensated fairly for the change. I believe that is necessary in order to keep the farm economy in fair balance and also to provide incentives, as I have suggested, for the farmers to change to the production of other things.

In this connection I appreciate very much the privilege of being able to take advantage of the opportunity at this stage in the discussion of these estimates to speak on a matter that I have brought to the attention of the house on a number of other occasions. I refer particularly to the production of corn, soya beans and sugar beets because these products are needed and are not in surplus production. In my opinion, indirectly it will be to the advantage of a number of other phases of agriculture to give consideration to these crops even though the whole of the country is not directly concerned with their production because if more land is devoted to the production of things that are needed it will take land out of the production of other things that are not needed. In that way all parts of the country will benefit indirectly, if not directly.

I should like to review for a few moments the benefit from the progress that has been made in the last year and also to try to point out where it would be to the mutual interest of other branches of agriculture to lend support to this idea. In speaking on this matter when the stabilization act was passed in this house I did state that I did not expect it to cure all the ills of agriculture. I also stated that I felt it would require men with sympathetic understanding and sound judgment, as well as a sense of fairness, in the administration of the act in order to make it succeed. The act has been in operation for some time now and I feel that much good has come out of it, as revealed by the report the minister recently made to this house on farm income.

I have here a press report of comments made recently by the minister and it is headed, "Grow What Public Wants, Harkness Warns". It reads:

Hon. Douglas Harkness, federal agriculture minister, speaking in the commons, points out: First, the need of development of new outlets; second, a warning to farmers to tailor their production to meet Canadian and known export requirements.

I feel that that comment has some merit. I find myself in a position where I must agree that it is only fair to encourage the production of things that are needed, and if this means the curtailment of things that are not needed then encouragement should be given to the things that are needed to compensate the farmer for the drop in the price of the things that are curtailed.

I should like to deal specifically for a few moments with the matter of the production of corn. In this connection, I should like to read an extract from a letter from Mr. Thomas Green, secretary of the commercial corn growers. In part it says:

Since corn is a commodity that is in deficiency production in Canada, in order to fill our domestic requirements, we must import from the United States around twelve million bushels. There is no reason why, with a little help from the government, that the price of corn could not be more favourable to the Ontario corn grower.

It is true that the corn growers are not organized. It is true also that there is an effort being made to organize them so that they will be in a position to present a more comprehensive report of their activities and, as has been suggested earlier by the minister, put themselves in a position where they can produce a more uniform product from the standpoint of moisture, grade and so on. However, I do hope the government will encourage them, not only to get themselves into that position but also to assist them in bringing their product to the point where it will supply the needs of the country.

I should like to say a few words especially on the production of soybeans. I have in my hand a copy of a news article concerning a meeting which was held in Chatham, Ontario, and at which Mr. K. A. Standing, secretary of the Ontario soybean producers' marketing board told the farmers that soybean oil and meal consumption in Canada was twice the production of these by-products. The article states:

Mr. Standing said that the soybean industry in Canada can handle double the amount now produced.

The soybean industry in Canada is confined mostly to the province of Ontario because of the closeness of markets for their by-products and also their source of supply.

Beans produced in the United States come into Canada on a duty-free basis causing considerable competition with Canadian soybean by-products.