

*Supply—Agriculture**(Text):*

Mr. Harkness: We estimate that pork production during the next six months will be down approximately 16 per cent from what it was last year. The fact that the production of hogs is down indicates that the deficiency payment method of supporting the price, which was put into effect at the first of the year although it was announced nearly a year ago that this was going to be done, has been effective in helping to bring the production of hogs into line with what can be marketed during the next six months at a reasonably satisfactory figure.

If we had not taken the action we did of changing the method of support for hogs there is no question at all in my mind that at the present time the production of hogs would be several per cent higher than at this time last year rather than being more than 12 per cent lower than what it was at this time last year. Over the year it is anticipated that production will run perhaps 16 per cent lower than last year. It was essential to bring production into line with what can be consumed in this country and marketed abroad because we were rapidly getting into the position where there was not enough storage space in Canada to hold the pork chilled. As a result we had to can a considerable amount and the demand for canned pork is not very extensive anywhere.

Therefore, as I say, we had already reached a position where a change absolutely had to be made. We could not continue piling up surplus pork. The change which was made has been successful in bringing production down so that it is much more nearly in line with the demand. At the same time the prices which have been received have not been very greatly below the national average support price of \$22.65 a hundred. As a matter of fact, from January 1 to April 2 the average price received for hogs across Canada was \$20.55. That is \$2.10 a hundred less than the support price which means, of course, that a deficiency payment of that amount was due farmers as of that date. This varies, of course, from week to week depending on what the price of hogs is during each week.

Mr. Argue: But there would not necessarily be any deficiency payment paid.

Mr. Harkness: No, that is correct, not necessarily.

(Translation):

Mr. Boulanger: Mr. Chairman, I see that the Minister of Agriculture (Mr. Harkness) is satisfied with his price support policy for farm products because he has been able to dispose of, or to diminish, the stocks of pork we had in storage.

[Mr. Boulanger.]

If I remember well, that was not the object of the legislation when the agricultural stabilization act was passed. The object was to establish prices related to the cost price, as according to the legislation the government wanted to hand back to the farmers the share in the national revenue to which they were entitled. The minister is not at all acting in accordance with the spirit of his own legislation. He does not want to protect the farmers. He wants to get rid of surpluses, and in order to prove what I am saying, I shall quote some figures from the production cost index for farm products.

(Text):

In so far as the index numbers of farm prices of agricultural products are concerned, if we take the month of March, 1959 we find the index stood at 441.4, while in the same month this year it was 426.3, a decrease of 15.1 per cent. If we take the price index of a number of commodities and services used by farmers—I have the figures for January, 1960 for all of Canada—we find the index stood at 266.7, while in January of last year it was 269.5. The index of commodities and services used by farmers has increased, while the prices the farmer has received have decreased. This is the situation of the farmer and of the hog producers throughout the country, especially in western Canada where the price of hogs went as low as \$16 per hundred pounds.

I say to the minister that was not the policy we adopted under the stabilization board. I have a few other questions to ask the minister. Can he tell us how many pounds of pork and pork products have been imported from the United States since the lifting of the embargo on February 8, 1960?

Mr. Harkness: I have not got the figures here but I believe practically no pork has been imported from the United States since the lifting of the embargo. If there has been any, it has been an extraordinarily limited quantity. When you take into consideration the duty and shipping charges, and particularly when you take into consideration the quality of United States pork, the conditions have not been such as would lend themselves to the movement of United States pork into this country during this period.

I am sorry to hear the hon. member is accusing me of not wishing to support the farmers. He says that all I am interested in is reducing the surplus. This is completely incorrect, of course, and I think all the farmers in the country recognize that we are concerned to secure for them the best prices possible. Our whole work under the stabilization board has been concerned with returning to the farmer as good a price as we could