

Stabilization of Milk and Cream Prices

the production of milk. This is a form of control which smacks of socialism and I was not at all surprised a while ago to hear the hon. member for Kootenay West (Mr. Herdridge), I believe, approve this measure right away.

I think that instead the department should take the responsibility of stabilizing the price of milk in the best interests of farmers, in accordance with their request, in short that the Board itself should not determine the price which farmers should get for their production, but that this decision be reached as a result of the farmers' demands. And when we consider the pressures exercised for a few years by farm organizations such as the C.F.U. in the province of Quebec, we easily realize that farmers have not failed to state to the federal and provincial Departments of Agriculture their needs and the price they must get to meet their obligations. Farmers have growing obligations to meet; the cost of farm machinery is constantly rising and to such an extent, that they can no longer make ends meet with the prices they get for farm products.

So, Mr. Chairman, the price the processing industries can now get for butter, powdered milk and casein is obviously inadequate to allow them to pay \$3.25 per hundredweight, and to pay the \$4.00 the farmers could get with the government subsidy.

I feel that, instead of establishing a dairy commission for Canada, it might have been wiser for the minister to suggest an increase in the present subsidies, high enough to enable the processors to pay producers \$4 per hundredweight.

Perusal of the available literature and what is published in *La Terre de Chez Nous* reveals that the government, through certain prices, has agreed to purchase for a basic price unsold surpluses of casein, powdered milk and other milk produce, to sell them, if need be, to another country or on foreign markets for a lower price. If that be the case, once again the Canadian taxpayer is paying dividends to foreign countries to purchase Canadian production.

Mr. Chairman, I am personally totally dissatisfied with this resolution; to my mind, it does not answer the needs of the agricultural class, particularly in the province of Quebec; in fact, the farmers of Quebec are not asking for a commission to stabilize prices, but rather for a decent price for their agriculture and dairy produce, so that their income might be comparable to that in any other sphere of

[Mr. Laprise.]

activity or industry in our province or our country.

I feel that when we have the bill, we will then know better what policy the hon. minister intends to apply or recommend.

Once more, the hon. minister was not too explicit in the explanations he gave us at the start, when he introduced the resolution; we hope, with the bill, to better understand the objectives of the hon. Minister of Agriculture; we can then make more representations and recommendations to him.

[English]

Mr. Olson: Mr. Chairman, at the outset I would say to the Minister of Agriculture that we wish him well in his attempts to carry out what appear to be two major achievements in so far as the dairy industry is concerned. It seems to me that he is trying to raise the whole price structure to the fluid milk producers, the manufactured milk producers and the cream shippers, and second he is trying to provide an additional measure of stability to the dairy industry in Canada. Both objectives are desirable and in our opinion the action by the federal government to achieve these ends is long overdue.

I should also like to refer to the minister's statement that production in the month of May shows that the downward trend in dairy production in Canada may have been arrested, and we are now perhaps moving into an era when Canada will again be producing her own requirements of dairy products. The minister did not explain whether this takes into account the yearly average for the month of May, because I think we all know that dairy production always goes up in May due, of course, to the arrival of spring, greener grass and higher nutrition levels for animals almost all across the country.

I believe we should have policies in Canada that will induce dairy producers to produce all of Canada's requirements. I think it would be an added strain on our international balance of payments and other economic fields if we were to become a net importer of dairy products, because certainly it is physically possible for us to produce not only all our own requirements but dairy products for export, if the price structure made this attractive.

When the minister was talking about the new Canadian Dairy Commission I believe he said he was at this time only outlining it