

cheese and assistance to cheese. What I have reference to all started back in the late fall of 1954, when a large quantity of cheddar cheese was imported into Canada from New Zealand and, as hon. members may recall, there was, in the press, in this house and elsewhere, quite a bit of fuss about the importation of New Zealand cheddar cheese. At that time, on January 10, 1955, as reported at page 20 of *Hansard* of that year, the hon. member for Middlesex East asked a question which reads as follows:

I should like to direct a question to the Minister of Agriculture. Does the minister plan to make any change in the regulations that now permit the importation of New Zealand cheese when there is a surplus of cheese and other dairy products in Canada?

The Minister of Trade and Commerce replied as follows:

Mr. Speaker, there is no prohibition on the importing of cheese. There is a duty on cheese, and technically anyone can ship cheese into Canada who can do so over the duty. A verbal arrangement was made with New Zealand at a time when we were having difficulty exporting to the British market. New Zealand was asked not to ship cheese to this market. The circumstances under which the request was made have changed. New Zealand was pressing to be relieved from that verbal arrangement and there seemed to be no very good ground for insisting that it be continued. The shipment of cheese has been made in the ordinary course of business in the same way that anything else is exported to Canada. I suggest it is a mistake to say that we allowed the import. The normal laws of the land were allowed to function in this matter.

The Chairman: Order. In fairness to the hon. member whom I interrupted a few minutes ago on another item and, of course, to other hon. members, may I say this. I think I should agree with the hon. member for Oxford that these remarks might better be made on the budget. Might I draw his attention to the wording of this item on page 12 of the supplementary estimates. It deals with subsidies for construction and reconstruction of cheese factories, improving cheese maturing facilities in cheese factories, and the standardization of cheese pressing equipment. I am sure the hon. member will agree with me that these are technical subjects, and that our discussion should be limited to the reconstruction of cheese factories and so on as mentioned in the item rather than a general discussion of the cheese problem.

Mr. Gardiner: Mr. Chairman, might I be permitted to intervene just for a minute. I think my hon. friend will get much nearer to what he desires to discuss on the last item, namely item No. 551. He is really discussing what has to do with price control or price support. Maybe not all of what he is talking about would come under that item, but I think much of it would do so. So far as this item is concerned, as the chairman has just pointed out, it will be noted that the main

item is \$1,050,000 and there was no supplementary item in between. Now there is a further supplementary estimate of \$14,753, making a total of \$1,064,753.

The reason I could not answer the first question that was asked, why I had difficulty in finding the answer to it here, is borne out by what I am just going to read. According to the Cheese and Cheese Factory Improvement Act, contracts may be entered into for one-half of the proven costs of constructing and equipping cheese factories or insulating refrigerated curing rooms in cheese factories. I think it will be obvious to anyone who understands these matters that many of these individual cases would cost more than \$14,753. It is just because the number of them that have to be paid requires that much more money that we must add another \$14,753, but that may only be divided into quite a number of small parts, and therefore they are not listed here. It is just that the total sum was too small, and we put another \$14,753 to it to have enough.

I would think some of these other matters might quite properly be discussed on item 551.

Mr. Nesbitt: On the point of order, Mr. Chairman, I would agree that discussion of this item must, of course, be very limited; but I think I pointed out in my opening remarks that I was endeavouring to explain to the minister why I thought, possibly, even further assistance should be granted to cheese producers, and the point I was mentioning had to do specifically with that.

Mr. Gardiner: I think you could discuss that quite properly under the last item.

Mr. Nesbitt: If the minister is agreeable to discussing what I have in mind on that item, and provided I shall not be called to order, then I shall be content to let the matter rest at this time.

Mr. White (Middlesex East): Far be it from me to suggest that this item is too large. As the hon. member for Oxford suggested, it should probably be increased. But the peculiarity of the situation is this; that on one hand the government is voting money to improve the cheese factories, and consequently the product of those factories, while at the same time it is cutting the ground from beneath the feet of the producers and of those who operate these factories by bringing in large quantities of cheese from other countries. We have demonstrated over the years that such imports could quite well be reduced, in which case we would not have the huge butter surplus we now have at times, while the employment opportunities for our people would be increased. It seems to me that it is a shortsighted policy to