

Agricultural Prices Support Act

a few moments ago. During the period of control, in 1942 the farmers had one of the best crops they ever grew. They had a very fair crop in 1943, and it seems likely that this year they will have one of their very best crops again. During these three years we have had prices controlled. I am not at all sure, and neither is anyone in this house, how many years longer those controls are going to remain in effect, but up to the present the production of field crops has been far beyond what we had any right to expect at the time those controls were established.

I make that statement in reply to the suggestion of the hon. member for Lethbridge this afternoon that because we had suggested that wheat acreage be reduced for the time being we were really paying the farmers to decrease production. If he had applied that statement to the efforts of the government in relation to wheat only, it would have been a statement of fact; but when one takes into consideration the further fact that the government made those payments in such a way as to increase the production of feed grains and in turn increase the production of livestock products, it cannot be said that the policy was intended to lower the production of food products. If the policy had been adopted for that purpose it certainly failed, because in 1942, 1943 and, as far as we can tell, in 1944, as was stated this afternoon by the hon. member for Halton, our production has increased by at least 50 per cent. While hon. gentlemen opposite may not agree, I venture to say that, making allowance for the fact that we had good weather in some of those years, these results have come about almost entirely from the policy that was announced and put into force by this government in relation to agriculture.

So that I say the fact that we shall have had two very good crops and one average crop during the period of price ceilings should be taken into consideration in the post-war or transition period, and that farmers who were denied higher returns during wartime should not be denied a fair return on their product simply because in some of the years following the war the yields may be very high.

One of the questions asked directly was this: Is this bill intended to make this country self-sustaining? I would put it in a little different form and say, if the question is whether this bill is intended to promote the production of everything we need in this country, or all the food products that we might desire to have in this country, then those of us who had to do with the drafting of the bill had no such idea in mind and did not intend that the legislation should be used for that purpose. The hon. member for Lethbridge was very much concerned as to how we were going to raise the money. He spoke of this \$200 million as an amount of money that had to be found somewhere in order to carry on the activities contemplated by this measure. Of course the \$200 million is a revolving fund.

I want to repeat that.

Of course the \$200 million is a revolving fund. If a market can be found for all the products over which the government may take control, owing to the fact that they have taken charge of those products at floor prices through some of the organizations provided for in this legislation; if the government can dispose of all those products at floor prices, it will not be necessary to raise any money by taxation or in any other way. In other words, the \$200 million is provided in order to have a fund from which to purchase the commodities, or with which the purchase of commodities may be made. Those commodities may be some I mentioned in my speech this morning. One commodity might be butter purchased in the months of May, June and

[Mr. Gardiner.]

July, put in storage, and put back on this market at possibly the same price in the winter months with the costs added to it.

If the whole \$200 million were used for transactions of that kind, then, of course, it would not be necessary to raise money from taxes, or to issue paper money, or to do anything else of that kind, in order to get the money that would be necessary with which to carry on activities under the bill. But if, on the other hand, in dealing with some of these products we were to find it necessary in order to provide floor prices, which we think are essential to give the farmer a proper return, to place the products on this market in Canada, or on any other market at a price lower than that which we had paid under the floor, then it might be necessary to take part of the \$200 million in order to make up the difference between the price paid to the farmer for the surplus, and the price received from whatever country we were sending it to. In other words, there might be part of the money which would have to be found by general taxation, or in some other way. But to the extent that products can be disposed of at any price at all, the price received for them, or the money received for them, will go into this revolving fund. And if we make up \$200 million through transactions, it would not be necessary to raise anything by taxation.

I read that again because there has been a great deal of discussion with regard to what we had in mind when this bill was introduced. It does reveal that, when the bill was going through the house and before it became legislation, everything which has been done under it since that time was then outlined as a possibility. We have been following almost exactly what we suggested at that time we might follow. I only call attention to what I have just read, Mr. Speaker, with regard to the handling of butter, to show that in the handling of butter during this last year, we have followed to the letter what was outlined.

I do not think it is necessary for me to say anything more than that at the moment. In closing I simply say that we have no different intent in the bill as it now is; we are not changing the terms of the legislation in any manner whatever, except that the time limit is being removed. The proposed amendment removes the time limit, so the bill will contain only one section, just as the other one did. The time limit is removed from the act as it now stands, and it is made applicable over the years that are ahead, as long as this parliament sees fit to keep it on the statute book. I suggest, therefore, Mr. Speaker, that the idea behind it all is to put this legislation in the position we suggested, namely, that it is to apply throughout the future.

Mr. J. A. Charlton (Brant-Wentworth): Mr. Speaker, I think in the past all parties in this house have expressed approval of the principle in this floor prices legislation for primary producers. The unfortunate situation arising from the difficulty of securing markets now makes the application of some measure of this sort extremely necessary. I am sure