

*Agricultural Products Board*

periods to which reference was made by hon. members on the other side of the house this afternoon. It is stated here, for example, that the price of fluid milk from 1935 to 1939 was \$1.45. In August 1951 it was \$3.99. They take the figure 100 for 1935-39. That would give an index figure of 275 for 1951.

Then, if you take the figures for butter, we find that on the same basis the figure of 100 in 1935 to 1939 would give 259 in 1951. And on cheese, the figure 100 for 1935-39 would give 296 in 1951.

When it comes to goods and services used by farmers, exclusive of living costs—and if living costs were included it would give a wider margin—and taking 100 for the period 1935-39, we get an index of 236.4 in 1951. It would be noted that the index is higher on each of the dairy products than it is on the commodities purchased by the farmer, both with regard to the services he buys and the products he buys.

But that is not the basis upon which we work. The basis we take is not 1929-35 or the 1935-39 base, which was argued against here all afternoon. The basis we take under the floor prices legislation is 1943-45. Then, when we take the price of milk in those years as \$2.45 and \$3.99 for 1951, the index figure of 100 for the period 1943-45 gives an index of 163 for 1951.

Then, coming to butter the figures are 100 and 152. That is the low one. And when some say that butter is one of the lowest priced foods in Canada today, they are perfectly right. Taking 100 as the basis for 1943-45, the index for butter is 152. Taking the same index of 100 for 1943-45 in respect of cheese, we see that it is 173 in 1951.

Then, with respect to goods and services used by farmers, including living costs, taking an index of 100 for the period 1943-45 we find a figure of 160 for August of 1951. In other words, that figure is lower than the index figures for either cheese or milk, and a little higher than the figure for butter. But if you average the three you will find that it is just about exactly what we have undertaken to do, namely a maintenance of the relationship to about the same point in the years as we go along as it was in the last three years of the war.

Then, just to complete what I have to say with regard to dairying, before sitting down I should like to say that for five years before the war milk production in Canada averaged around fifteen and a half billion pounds. Someone said this afternoon—I think it was the hon. member for Brandon—that milk production had been decreased over the last five years by approximately one billion

pounds a year, making the computation on a complete year. That was a billion pounds, it was pointed out, lower than it was six years ago.

Well, that is perfectly right. But here are the facts based on the statistics. For five years before the war milk production in Canada averaged about fifteen and a half billion pounds. For the five years during the war it averaged about seventeen and a half billion pounds. For the first five years after the war it has averaged about sixteen and a half billion pounds. In short, it went up two billion pounds during the war and went down one billion pounds since the war, which means that it is one billion pounds a year higher since the war than it was before the war.

All hon. members realize that one cannot base conclusions upon figures obtained during war years. There are always circumstances surrounding production—or, indeed, anything else that happens during a wartime period—which make it impossible to draw reasonable comparisons based upon those figures.

For example we told every farmer in Canada what he was to do during the war. We told those farmers, "You cannot deliver milk to a canning factory; you must deliver it to a cheese factory." In other cases we said, "You must deliver it to creameries"—where butter was produced. But during peacetime we are not able to say that—and perhaps we would not wish to say it even if we were able to do so. At least the provinces, which now have the authority, do not say it. That authority does not rest with this government, but rather with the provinces. I do not hear very many of those who belong to the parties conducting governments in those provinces making the statement that provincial governments ought to do it. Because, after all, they are the only authorities who can do it, if it must be done.

The extra billion pounds of milk is being consumed as fluid milk. Butter production averages about the same in the five years since the war as in the five years before. In other words, about the same amount of milk goes into its production. The amount of milk used in the production of cheese is down, and the amount used to produce powdered or canned milk and ice cream has increased by a similar amount. In short, the only change has been that the farmer finds it to his advantage to turn his milk into other uses, rather than into cheese.

The average number of cows being milked in Canada during the first five years before the war was 3,780,000. The average number milked in Canada during the war was 3,736,000. The average number of cows being