

April 4

Need of Provincial Marketing Department Urged by Liberal Leader

Establishment of a new Department of Marketing, to prepare to meet the problem of finding markets for all Canadian agricultural products when a surplus develops after Europe's stricken countries recover, was proposed yesterday in the Ontario Legislature by Liberal Leader Farquhar Oliver.

Mr. Oliver advanced his suggestion when speaking on the budget motion, which passed on a recorded vote of 57 to 22, the same division being taken for two votes. The first was on an amendment tabled by Mr. Oliver, which deprecated the Government's "failure to provide" for revenues to meet the estimated Provincial deficit of \$21 millions. The second vote was on Provincial Treasurer Leslie Frost's motion to adopt the budget.

Farmers, said Mr. Oliver, had accomplished a tremendous job during the war and now faced further demands for food-hungry Europe. They would meet that

need, he said, despite the problems caused them when their products had to sell under ceilings which failed to provide sufficient returns to purchase equipment and supplies.

Their effort to increase production, Mr. Oliver said, was creating a bigger problem for the future, one which might seriously affect the economy of the whole nation. Not forever, he said, would Europe need Canada's emergency supplies; soon that continent would recover.

"When those countries begin to rehabilitate their industry, including agriculture, we will find ourselves facing the problem of a volume of production which will create surpluses," said Mr. Oliver. "I submit now that we should be facing that problem, and preparing for it. We should have a Department of Marketing, which would seek markets and would also seek to establish high standards for Canadian products, so that we would have a

better opportunity to compete in world markets."

Britain, he said, would purchase where the best was offered, with Danish bacon tending to crowd out Canada's product. This was just one example of what would occur. He also urged that the marketing department could see that farm products were considered during the research which, in the postwar world, would find many uses for products not previously considered in many fields.

The Government, he said, seriously undermined the financial stability of Ontario by budgeting for a deficit during a period of high revenues. Surely, he said, during good times economy should be practiced, with "something being put away for stormier days ahead." When every other Government was urging a war against inflation, he said, Ontario's Government was failing to give leadership in that respect. The Government, he added,

should practice what it preaches, and when it urges school boards to economize with grants it gives show what it means by budgeting for economy.

Hydro Minister George Challies was the only other Budget speaker, and he confined his address to a survey of Hydro during the past year. Rate reductions had been effected for every user of Hydro in Ontario, he said, programs of construction had been undertaken with bigger plans for the coming year, and rural Hydro extension on a five-year plan had become one of the major undertakings.

Ontario's Hydro, Mr. Challies said, was the nation's biggest corporation under one management, with the exception of Canada's two railways. It had an investment of \$396 million, with the partner municipalities investment totalling \$140 million. It was wholly within the control of a commission, not Government-dominated, with only one Gov-

ernment member on the present three-man board.

Hydro was an unique organization, he said, with only those who receive power paying for any part of the organization. It was an ideal example of power for the people, by the people, of the people. Second only to the responsibility for payment of bonds, the Government's great interest was in extension of rural power. For this reason, the Government pays one-half rural power extension costs which now amounted to an investment of \$44½ million. During the next five years, close to another \$43 million would be invested in rural extensions.

Third responsibility of the Government, Mr. Challies said, was to see that northern power areas received service, the Government having an investment of \$4 million in a system operated for it by the Hydro Commission. Incidentally, he said, a one-time "white elephant," the Abitibi project, now had re-

serves totalling \$14 millions, equal to half its invested capital.

Undertakings planned for the future, Mr. Challies said, represented an investment of \$110 million. Among the projects, he said, would be the des Joachimes Rapids plant on the Ottawa River; transmission lines from there to Islington and Burlington; a second unit at De-Cew Falls, and a development at Stewartville on the Madawaska.