by $8 a hundredweight within a period of a few weeks. I know many farmers in my area who, finding last fall that they had large quantities of feed wheat and other feed grains on hand and seeing that the prevailing price was reasonably good, decided to produce more hogs.

I know one chap who had eighty, and the price was $35, $36 or $37 a hundredweight until about the time that his hogs were ready for market. Then so far as he was concerned the bottom literally dropped out of the hog market. Through reduction in the price of hogs that farmer lost at least $12 a hog, or approximately $1,000. There is no incentive for a man to remain in the production of livestock if he suffers such a loss within a few weeks at the very time when he expects to market his yearly production of hogs. As I have already said, I think that a formula should be placed in this measure to guarantee farmers, if not parity prices, at least a high percentage of parity based on an adequate formula. If the minister will guarantee the farmers of Canada not high prices, not low prices, not highly fluctuating prices but reasonable prices for hogs and other agricultural products year in and year out, our farmers will increase their production and will increase the supplies of all those commodities that are so important to the health of the people of Canada and the well-being of the people of the world.

The government has a floor price under eggs of 38 cents a dozen for grade A large. The government stands prepared to buy grade A eggs at 38 cents a dozen in the spring when there may be a surplus. Because the floor price was set far too low many poultry producers became discouraged and sold their flocks. Because the floor price was set too low over a year ago we have seen periodic shortages of eggs and very high prices for them during such shortages. Last September a couple of friends from Ottawa visited us. We asked them what they were paying for eggs in Ottawa and they said 89 cents a dozen. The farmers of our district were obtaining 42 cents a dozen for good eggs at that time in the local town. According to our visitors they were much better eggs than the grade A eggs they were buying in the Ottawa stores. There is something wrong when the consumer in Ottawa pays 89 cents a dozen and the egg producer in Saskatchewan only gets 42 cents a dozen.

Yesterday the hon. member for Selkirk suggested that an inquiry should be made into the packing house industry to see why there is great disparity and fluctuation between the prices paid to farmers for hogs and the high prices paid by consumers for pork products. I think an investigation should also be made into the packing industry to see why there is such a large spread between the price to the egg producer and the price the consumer has to pay. I have my own ideas as to why that great disparity exists, and I am sure one of the reasons is that the packers are making an unduly large profit from the handling of eggs. When our producers sell their eggs they are always told there are a large number of B's and not many A's but it seems that for some reason only the good eggs ever reach the counters where they are sold at a pretty high price. The present floor price under butter is 48 cents a pound.

Mr. Charlton: Fifty-eight cents.

Mr. Argue: The hon. member for Brant-Wentworth (Mr. Charlton) is quite correct. It is 58 cents and the floor price is established for a period of two years. However, a government board has been endeavouring to buy butter at 63 or 64 cents a pound. Therefore while the floor is only 58 cents a pound creameries are being offered a higher price. When the government was considering the new support price for butter I asked on April 13 of this year if they would not consider establishing a price of 62 cents per pound as requested by the Canadian Federation of Agriculture at that time. The floor price that was announced was lower than that. In the meantime the board is attempting to buy butter at a price more nearly comparable to the floor asked by the Canadian Federation of Agriculture. All I am saying is that when the government announces a floor price, such as the 58 cent floor on butter, a price that is below the cost of production, production is discouraged. Because production is being discouraged through low floor prices, supplies shrink and the consumer pays an unduly high price for the product at some future time.

The scope of the resolution moved by the Minister of Agriculture is pretty broad. It provides that the agricultural products board may buy, store, transport or process agricultural products. The board has wide scope but the extent to which it operates will depend upon the instructions it receives from the governor in council. The United States has had a good deal of experience in the field of support prices for agricultural products. They have a board somewhat similar to the agricultural products board envisaged by the resolution. It is known as the commodity credit corporation and the act under which the corporation operates authorizes it to do certain things. They are:

(1) Support prices of agricultural commodities through loans, purchases, payments, and other operations; (2) make available materials and facilities required in the production and marketing of agricultural commodities; (3) procure agricultural commodities for sale to other government agencies,