

shall stop prices rising. We should then proceed to have policies which will not dissipate our production, policies which will leave as much of our goods in Canada as are necessary to keep prices from going up. As I said, the present condition traces back to fundamental government policy.

As to the plight of veterans, I shall make but one comment. During recent weeks we have had evidence as to how they are feeling with respect to their jobs and their pensions. The treatment that some of them have had has not been creditable to this government. I understand that there has been no increase in pension rates to these veterans for twenty years. Something was mentioned in the speech from the throne, but again it told us nothing. It said that measures affecting veterans will be brought in. I trust that when these measures are brought in we shall find that something will have been done to improve the situation they are facing.

I have mentioned the critical condition of our primary industry. Never before in Canada have I seen the farmers so disturbed or so disillusioned, and with so little faith in the future of the industry. They feel that they have been led down an empty trail. In western Canada the hog industry is back to where it was before the war. Here in Ontario it is rapidly getting back to that position, and the same is true all over Canada in all branches of the livestock industry—beef, hogs, dairying and poultry.

What is the cause? I will mention three of the major causes. The chief cause is the failure of government planning. The government undertook to regulate the agricultural economy, to take charge of it. And, having taken charge of it, they must accept responsibility for the condition it is now in.

Let me mention three things that happened. First, the government gambled with the farmers' wheat. They did not gamble with the government's wheat; they did not gamble with the nation's wheat; they gambled with the farmers' wheat. In the first year they lost for these farmers seventy-seven cents a bushel, or \$123 million. In the second year, the year we are in now, they are losing at the rate of more than \$1 a bushel. When these two years are ended, the government will have lost on that gamble, for the farmers of Canada, the huge sum of around \$300 million.

That is one reason for the criticism. A second reason for the criticism is the policy which the government followed in removing price ceilings and subsidies on coarse grains. What did they do? They had been paying

[Mr. Bracken.]

for several years subsidies on coarse grains and they had put on a price ceiling beyond which prices could not go.

Mr. ABBOTT: Only eight months.

Mr. BRACKEN: They decided to take off the price ceilings and subsidies.

Mr. ABBOTT: The subsidy on feed grains was paid for only eight months.

Mr. BRACKEN: As to the question of how long it had been paid, it may be eight months; but whatever it is—

Mr. ABBOTT: You said several years. I thought I would correct you.

Mr. BRACKEN: The government were giving subsidies and they had fixed price ceilings. What happened? They came along and took them both off. When? At the beginning of the crop season?

Mr. GARDINER: Twelve months after you said they should come off.

Mr. BRACKEN: Or at the end of the crop season? No. They took them off in the middle of the crop season. With what result? If I remember correctly, on October 20 these controls were on. The prices of these grains were lower. The farmers who had sold up to that time had taken the low prices. The next day the prices went up, in some cases nearly fifty per cent, and the farmers who sold after that date got more money than those who had sold before. The price of oats before that date was sixty-five cents a bushel; after that date it averaged around eighty-five cents. John Jones over here who sold his oats today got sixty-five cents, and Bill Smith sold his the next day and got eighty-five cents. The inequity arose because of faulty administration by this government.

In the case of barley, the price which was being paid for the higher grades was ninety-five cents on the day before the controls came off, and the next day it was \$1.35 and has since been around \$1.25. The fact is that the farmers who sold before that date took twenty cents a bushel less for their oats, approximately, and over thirty cents a bushel less for their barley. In other words, the farmers who sold before that time took a loss of about \$7 million and those who sold barley before that time took a loss of \$14 million.

There has never been an answer to the question why the government made that decision at that time, and I ask them now to say why it was made. The farmers of Canada are waiting for the answer and it has never been given. There was no justification for that action at that time.