

through Eastern wholesalers (cooperatives and wholesale grain merchants) show that only a small fraction of Western feed grain was sold through cooperatives. Farmers are buying mostly balanced feed rations. Also here the production and distribution by the large flour and feed companies, combined with those of the privately owned country feedmills, show even more the small share of the cooperatives in this business. Also the statistics of slaughtering and processing of meat and poultry in privately owned abattoirs, show again the predominant share of private business and industry.

We mention these facts only to prove that the Canadian Federation of Agriculture is not entitled to speak for Canadian Agriculture as a whole, although as mentioned before, our Association welcomes anybody who can give better service in the delivery of goods to the farmers and, on the other hand, pay a higher price for their products. It is also logical that the Canadian Federation of Agriculture cannot speak effectively for Eastern agriculture in their Submission, because the interests of Western agriculture are mostly diametrically opposed to the interests of Eastern agriculture. Western grain growers want more for their grain and are inclined to increase their production of livestock and poultry, while Eastern agriculture wants lower prices and a higher share of the production and distribution of meat, poultry and eggs, because the consumption is mostly concentrated in their own territory.

It is difficult to understand that the Canadian Federation of Agriculture believes that the panacea for the deplorable state of Eastern animal husbandry, is the creation of another monopoly, a Feed Bank. In their memorandum, the Canadian Federation of Agriculture stated quite correctly that the producers of livestock and poultry use almost exclusively balanced rations. Now only about 50% to 60% of those rations is oats, barley or wheat, the balance is imported corn, Soya meal, millfeeds and other protein and mineral supplements. The total costs of these mostly higher priced ingredients are higher than the total costs of the grain in feed rations. This means that the costs of balanced rations are predominantly determined by the costs of these ingredients and *not* Western grain.

The best evidence that free competition and freedom of choice is the only system to efficiently handle feed grain at the lowest possible cost, is the present supply situation of Western feed grain in Eastern Canada. Never in the history of the Canadian grain trade, have such huge quantities of export grain been shipped within a period of 2 to 3 months through the St. Lawrence. In spite of this greatly increased export volume, there was never at any time a shortage of domestic grain anywhere. On the contrary, the present stocks of domestic grain, particularly in large distribution centers like Montreal and Quebec, are more than enough to meet requirements until the opening of navigation in 1964. Is it therefore worthwhile that a good many wholesale grain merchants, and their numerous employees, who serve their customers efficiently and faithfully, most of them for 50 years or more, should be put out of business for an utopian venture which can achieve nothing or, as we say in French "Tant de bruit pour une omelette"? We do not want to go into more detail concerning the Feed Bank question, as we have already distributed, some time ago, a pamphlet of which we enclose a copy herewith.

Now, coming to the other Submissions of the Canadian Federation of Agriculture, we strongly object to the demand that the Canadian Wheat Board increases the price of wheat for Canadian consumption and sell cheaper for export, including sales to the communists. This demand is a repeat performance, because a similar request was submitted to the Right Hon. C. D. Howe who rejected this demand saying that it is impossible to charge Canadian consumers more for bread, flour, etc., consequently contributing to more inflation and to hurt particularly the large number of unemployed and other poor people, while we would subsidize people in communist countries who will get food at lower