

have remained. Now we see after investigation by the Board of Commerce that meat coming from the United States, after duty, freight and all incidental expenses have been paid, sells for 4½ cents cheaper in Winnipeg than the meat obtained from Canadian packers. This discovery alone, I contend, amply justifies the motion made last session on this side of the House for a removal of the duty on foodstuffs. My hon. friend from Frontenac (Mr. Edwards) the other day said that the farmers did not get more for their produce than they were entitled to. I am of the same opinion. Some people are inclined to censure the farmers if they have to pay high prices for meat or other agricultural foodstuffs, but if you compare the prices which are paid to the farmers and the producers for cattle with the prices charged the consumer, you will see that there is a large difference between what the producers receive and the prices paid by the consumer.

That is not only in regard to meat but in regard to all other products. The manufacture of cheese is one of the most important agricultural industries in this country. The price paid to the farmer now does not exceed 25 cents per pound delivered at Montreal whilst, if you go to your grocer, you have to pay from 40 to 45 cents per pound for cheese. Last spring the cheese factories sold cheese for as much as 31 cents a pound but lately this price has come down to 25 cents. A representative of the British food ministry came to this country, met the manufacturers and offered them 25 cents per pound for 20,000 tons, this price to be for cheese delivered at Montreal. His reason for asking them to accept this price was that cheese was being retailed in England at 36 cents a pound or one shilling, sixpence, while in this country we have to pay as much as 45 cents a pound. According to the statement made by the representative of the British ministry of food, over 11 cents is paid in commissions to buyers, exporters and English importers, in freight rates and in exchange on money. The English importer buys Canadian cheese at 25 cents and it is retailed in England at 36 cents a pound. During the war cheese was selling at a fixed price. This year there is no fixed price; the farmers do not ask a price to be fixed for cheese but they believe that the Government could have helped them by giving a line of credit to the Imperial Government, or the British ministry of food, to enable them to buy our cheese. The Government have given a line of credit to Italy to the amount of \$6,000,000 to buy

our beef and a line of credit to Roumania to the amount of \$25,000,000 to enable them to buy certain goods in Canada, whilst no money has been given for the purchase of cheese the manufacture of which is the great industry in the eastern part of Ontario and especially this year when the crops are not as good as in other years and farmers have to depend very much on the cheese industry for their prosperity. The exchange, as explained by the representative of the British ministry of food, amounts to two and one-twentieths of a cent per pound on cheese. If the Government had given a line of credit to the British food ministry to enable them to buy cheese, the farmers instead of selling their cheese at 25 cents per pound, would have sold it for at least 27 cents per pound. The farmers have to pay more than they had to pay in previous years for labour. Labour is scarce and the hours of labour are getting shorter. They also have to pay more for everything they buy, notably feed and agricultural implements. They could buy a binder some years ago for \$120 but now they have to pay \$225 or \$230. All agricultural implements have almost doubled in price. The Government might have helped the farmers if they had acceded to our request last year to remove the duty on agricultural implements. This represents millions of dollars to the farmers of this country. If you want to have cheap food in this country you should remove the duty on food and not only the duty on food but on all the tools and machinery used to produce food. My hon. friend from Frontenac (Mr. Edwards) said that high prices were caused by scarcity. It is true that they are partly caused by scarcity, but Mr. Speaker, not only does the Government maintain duties and prevent agricultural implements and foodstuffs from coming from other countries into this country but the Government creates scarcity. There are in storage large quantities of beef which could have been sold to the Canadian consumer. But the Government gave a line of credit of \$6,000,000 to Italy to permit Italy to buy this beef and in this way help to create scarcity. On the 28th of May of last year an Order in Council was passed authorizing the extension of a line of credit to Italy. I have a copy of the Order in Council and it reads as follows:

The Committee of the Privy Council have had before them a Report, dated 26th May, 1919, from the Minister of Finance, stating that the Italian Government has requested a credit of Six Million Dollars to be availed of for the purchase of frozen beef now in storage in Can-