

*Supply—Trade and Commerce*

Agriculture the government would say to the farmers: there is a tremendous shortage of food in the world; there are many nations with millions of people on the verge of starvation; through the United Nations we have pledged to do everything in our power to maintain production at the highest possible levels and therefore we want you farmers to expand your production as much as possible, I am satisfied you could get a large increase in the production of livestock. But you cannot expect the farmer to do it without some assurance that when he does increase production it will not be used as an excuse to force prices down. So often we are told that we must be governed by the law of supply and demand, but if that argument is used we will not get a greater expansion of farm production than is taking place already. If on the other hand assurance could be given that the government would find a policy under which surplus production would reach the nations that need it, either in Europe or in Asia, I am satisfied there would be a large increase.

I do not intend any reflection upon the minister, for whom I have a high regard. I think he has done a remarkable job in moving wheat supplies in these difficult years.

**Mr. Howe:** My hon. friend asked why we did not do as the United States is doing. I would not like it to be suggested that we have done any less than the United States. We have given over \$3 billion in outright gifts and in loans in the last seven or eight years to tide over our customers, and I would not say that door was closed. But I did point out that we have been disposing of our surpluses.

My hon. friend says we might produce more livestock, but in that connection he must keep in mind that we live in a cold country. Generally speaking our cattle have to go under shelter in winter and be fed grain that has been put aside for that purpose. We are competing in the United Kingdom with Argentina, a country with a mild climate, where a steer never has a roof over its head until it walks into the abattoir on its final journey. The stocker cattle are raised in the south. Then they are moved up on foot to the lush country around the river Plate, where they feed on alfalfa. There they are fattened and driven down to the abattoir, from where the beef is shipped to England. The situation is very much the same in New Zealand, where the cattle never go under a roof. It is the same in Australia, though unfortunately drought affects a section of that country

[Mr. Quelch.]

and makes the raising of cattle more hazardous than in either Argentina or New Zealand.

However, the fact remains that in trying to raise cattle for Britain in Canada we are competing with countries that can raise cattle for much less, as witness the fact that in New Zealand today, as we find under this cattle transaction of ours, they are accustomed to put frozen beef on board a boat, and are doing it under contract with Great Britain, at 14 cents a pound. To put that same frozen beef on a boat from Canada to Great Britain costs 48 cents a pound.

**An hon. Member:** Why?

**Mr. Howe:** Because we are guaranteeing the producer \$26 on the hoof.

**An hon. Member:** It is \$25 at Toronto.

**Mr. Howe:** My memory is not too accurate, but I think it is \$26 for choice and \$25 for good steers.

**Mr. Fair:** There is one point in connection with the 1951 farm income that should not be lost sight of; that is, that included in this amount is the balance of payments on wheat crops from 1945 to 1949, which amounted to many millions of dollars. That should be segregated from the other farm income.

**Mr. Aylesworth:** From what the minister said a few moments ago I take it he would suggest that under our climatic conditions our farmers should produce only one commodity, perhaps wheat and coarse grains.

**Mr. Howe:** Oh, no. I was talking to a westerner, but I did not say we should raise only one commodity. My hon. friend is attempting to put those words in my mouth. I was talking about beef as against wheat, oats and barley. My hon. friend can make his own speech.

**Mr. Aylesworth:** The minister distinctly suggested that this country was not suited to the raising of beef cattle.

**Mr. Howe:** For the British market.

**An hon. Member:** In competition.

**Mr. Aylesworth:** What do you want to say? Say it now. I have never heard you make yourself clear on anything since I have been here, and I am sure you will not be clear on this. If the minister or the government have now reached the point, because of the position in which we find ourselves, that they feel this country is not suited to the raising of beef cattle, then I would say the same thing applies to hens. We have to house our hens for a great part of the year. We also have to house our hogs, so we are