In view of these figures, I believe every hon. member will agree when I say that the farmers of Canada had a legitimate complaint. But even then it was only by repeated efforts on the part of the federation of agriculture, which embodies practically every farm organization across Canada, and because of the obvious demand for greater production that these various subsidies were paid. I might say here that I was surprised and disappointed that apparently the minister did not know the correct name of that great organization which has done so much for the farmers of Canada, because at pages 529 and 918 of *Hansard* he referred to it as the farm federation.

With regard to subsidies, as I see it, these were a means of adjusting our economy in order that the producer might receive a reasonable remuneration for his labour without causing an appreciable increase in the cost of living. The government is to be congratulated upon its price control measures. Whether they have been worth the terrific cost will become apparent only in the future. Many of these subsidies are paid directly to the producers, and because of this fact are termed producer subsidies. This is causing considerable misunderstanding on the part of the public, who do not realize that they are also benefiting directly by a like amount. The two cents a quart subsidy on milk, for instance, commonly called a consumer subsidy, is paid to the distributor but is a direct benefit to the consumer, in that he pays two cents less for milk than otherwise would be the case. I therefore maintain that while the producer receives quite a large proportion of the moneys expended in this way, the processor, the distributor and the consumer also indirectly receive a benefit, in that the cost to the consumer is not increased to any appreciable extent.

The situation, however, is quite different in regard to producers of hogs and beef cattle. Here a ceiling price is set over which a packer or butcher may not charge. There is no floor price for the producer, however, and consequently when there is a heavy run of cattle or hogs there is invariably a drop in price. There is no protection for the producer and the result is apparent. That result is not seen in connection with beef cattle as yet, because cattle coming to the market now are the product of a breeding programme commenced probably two or three years ago. Many cattle must be marketed at this time every year because of a shortage of stabling accommodation. Hog marketings in 1945, however, will be one-third less than in 1944. Why? Partly because the income tax department considers the money received from the sale of all breeding stock as income, not capital; but mainly because the farmers are tired and fearful of what the future may hold for them. Most certainly they cannot keep on working twelve and fourteen hours every day simply to give more dollars to the dominion treasury.

There is something I know very well most farmers cannot understand; that is, the wide variation between the selling price to the packer, for instance, or the price which the producer receives for a sow and the price he pays in the retail butcher shop for the bacon from the same sow. I should like the minister to explain that. In January, 1944, the premium on hogs was raised to $3 on grade A and $2 on grade B-1, and it is interesting to note the increase in quality since that date. The percentage of A-1 carcasses as of 1944 was 41·1 per cent in the 55 to 65-pound class, which is by far the largest class, and the total percentage was 70·6 for all grade A-1 carcasses. In the first nine months of 1945 the percentage of grade A-1 carcasses in the 55 to 65-pound side weight class jumped from 41·1 to 49·8, and the percentage total was 77·8 as against 70·6 in 1944. This may not be entirely due to the increase in the premium, but certainly that had some effect.

I think every one in this country realizes; at least I am sure all farmers do, that for the hog producers to live we must procure at least a certain portion of the British bacon market. It is interesting to note in a digest taken from "Agriculture Abroad" published by the economics division of the Department of Agriculture, which deals with the production goals of the present government in Great Britain, that they hope to increase their hog production by 870,000 over the 1944 level. Just what that might mean to our market there is hard to figure, but undoubtedly it will mean something. In order to retain even a part of that British bacon market we must do two things. Undoubtedly we must produce the quality of Wiltshire sides the British market demands, and in the second place we must be able to guarantee that market continuity of supply. That has been one of our greatest handicaps in connection with that market; we could not guarantee a steady supply. Some time ago we listened to quite a lengthy debate on bill No. 14, to carry into effect the agreement for a food and agriculture organization of the united nations, between Canada and certain other nations and authorities. I should like to quote from the preamble to the constitution of the organization:

> The nations accepting this constitution, being determined to promote the common welfare by furthering separate and collective action on their part for the purposes of: