

	First agreement 1939-40	Second agreement 1940-41	Third agreement 1941-42	Fourth agreement 1942-43	Fifth agreement 1944-45
Actual quantity of bacon shipped - million lbs.	331.0	425.8	600.0	695	
Hogs required for export Total number- thousand head	2,500	3,700	5,200	5,625	6,750
Average weekly- Thousand head (preliminary)	48	71	100	108	72

Purchases under the 1942-43 contract for 675,000,000 pounds of bacon were completed Christmas week of 1943. By the beginning of 1944 approximately 28,000,000 additional pounds had been obtained to apply on the new contract. Exceptionally rapid progress during the final weeks of the last agreement were made possible when hog marketings reached unprecedented levels, indicating that farmers had succeeded in producing an all-time record pig crop in the spring of 1943.

The new bacon contract with the British Ministry of Food is for 450,000,000 pounds of bacon each year for two years. It is likely, however, that 500,000,000 pounds will be delivered in 1944. Negotiations are now proceeding to extend this contract to four years.

It is now clear that the United Kingdom will continue to want large quantities of Canadian bacon for a considerable time to come. The reduction in the contract for 1944-45 represents merely a reduction in Canada's minimum commitments, and if more bacon is available, it will be welcome. Although the price advance was smaller than producers generally had hoped for, and the price advantage held by hogs earlier in the war has become progressively narrower with increased returns for other farm products, it can still be demonstrated that hog production is profitable. As pointed out at the Dominion provincial conference by Hon. J.G. Taggart, minister of agriculture for Saskatchewan and chairman of the Meat Board, it can hardly be argued that the position of the hog producer has been worsened due to the fact that he is now able to sell part of his grain at improved prices. In eastern Canada an abnormal situation exists for the present because of the poor crop in 1943, but increased plantings of coarse grains are in prospect for 1944, and, with a normal crop season, hog production should make substantial recovery.

The objective which has been laid down for hog production in 1944, therefore, is to maintain output at as nearly as possible the level of 1943, which was the largest in history. Inspected slaughterings are showing every evidence of exceeding 7,000,000 head.

It is expected that hog production during the first six months of 1944 will exceed that of the same period of 1943, but by the latter half of the year the effect of the feed shortage in Eastern Canada, and other factors, will probably lead to some recession. Although the first reaction of producers and farm organizations has been to criticize the amount of the price increase granted under the new contract, a more considered appraisal of the longer term guarantees and the knowledge that Britain is still anxious for Canadian bacon will probably in the long run promote a more favourable producer psychology.