

tion if he wished to be fair not only to himself but to the house. Butter is in a similar position to beef. We do not export beef, but we do ship about 200,000 head of cattle to the United States each year. That is done under our reciprocity agreement with the United States which was brought about by this government in 1935, an agreement which has done more to maintain farm income than anything else, I believe, in the last few years.

May I take this opportunity to give a resume of the progress we have made from the point of view of agriculture, as far as the national income is concerned. The hon. member for Haldimand was very much concerned because, on the basis of the prices which the farmer receives for his products, agriculture does not obtain, according to him, an adequate proportion of the national income. I do not take too seriously the percentages given with respect to agriculture's share of the national income and the assertion that it is but a small proportion of the whole, because possibly the hon. member is living in a state of mind suggestive of the days of Christopher Columbus, when 100 per cent of the national income came from the land. We must bear in mind that we are progressing and that we have steel mills and various manufacturing industries, and naturally, therefore, the proportion of agricultural income to the total income will not be as high. But what the hon. gentleman should have pointed out was that the portion which one-third of the population received from agriculture was so much, because many people living in rural sections receive incomes from sources other than the farms. That is something which should be taken into consideration. What does concern me as a farmer is whether the farmer is receiving more to-day than he did in 1939. That is the real point. It does not make any difference to the farmer what anyone else gets as long as he gets his share. That somebody else is wealthy makes no difference to me so long as I receive what I want.

Mr. ROWE: How much more do you pay?

Mr. WOOD: Well, I know that at the close of the last war in 1918 the cost of living had increased by twenty per cent, and to-day it has increased only two per cent in consequence of the restrictions brought about by price control.

Mr. ROWE: And the farmers got forty per cent more for their products then.

Mr. WOOD: Yes, but what good did the forty per cent do? As a matter of fact, it created in the farmer the belief that he

could accumulate debts, public and private, and that is something which we are trying to avoid by the system of price control. The national income in 1942 is estimated at about \$7 billion, of which labour, with four million workers, gets about \$4,150,000,000, or sixty-three per cent. The farmer's cash income this year, according to estimates I have from the Department of Agriculture, is \$1,080,000,000 and added to that will be \$90,000,000 of subsidies, which brings it to roughly \$1,100,000,000. Against that he has costs of production of about \$350,000,000. But what I wish to point out is this. There has been a steady increase in the prices of farm products in spite of the fact that we have a ceiling price on the finished articles. Many object to the ceiling price being applied only to the manufactured product, leaving natural products free, but the result of the system is this, that there has been practically a two cent increase in the price of beef from 1941 to 1942. Steers in Toronto in 1940 were \$7.50; in 1941, \$8.63, and in 1942, \$10.16. The average for twenty years was \$7.03, so that there has been a pretty fair increase. Let me give prices for the live weight of hogs. In 1940 they were \$8.57; in 1941, \$9.95, and in 1942, \$11.72. Will anyone say that there has not been a substantial increase in the price of farm products? The same applies to lambs and butter.

Butter in the Montreal market in 1940 was 30.2 cents; in 1941, 34 cents, and in 1942, 36 cents, and on top of that we have a ten-cent subsidy until April.

Mr. HOMUTH: And now we cannot get it.

Mr. WOOD: Now that the hon. member has raised that question I might as well discuss it at once. No one knows better than he does the reason why we cannot get butter. It is not that the farmer did not produce as much butter in 1942 as he did the year before. The difference is only one per cent, but the fact is that there was a greater consumption by seventeen million pounds, and we have exported in butter fat to our friends of the united nations thirty-two million pounds which went into cheese. Surely it does not call for a great deal of intelligence to understand why there is a shortage of butter, and I am surprised that the hon. member keeps raising the question. There are few people who have access to the information that he has, and he should not go round trying to sow the seeds of unrest among the population when he could do a kindness not only to himself but to the war effort by informing the public of the facts.