

*Agricultural Conditions*

splendid type of man and woman we have on our farms, there is a limit to endurance and if this drain upon reserves, financially and morally, continues, that limit will be reached. I speak from an intimate knowledge of the men and women in western Canada, with whom I have worked and lived for the greater part of my lifetime, but I am prepared to believe that the same is true of our brother farmers in the central and eastern provinces. I feel sure that they are of a strong and courageous character and willing to work under overwhelming odds, but that cannot go on forever.

What is the reason for these conditions and the low prices which prevail? It is due in part to general conditions and also to the fact that the farmer has increased his production along other lines because of the continued low prices being paid for wheat. Local consumption of farm products in this country has decreased due to widespread unemployment; there is a lessened purchasing power and as a result of all these things we find ourselves upon an export basis not only with respect to wheat but with respect to live stock, dairy products, poultry, eggs, and all those products which are generally designated as mixed farming products. This attainment, if it may be called an attainment, instead of being a matter for congratulation has had far-reaching and most unfortunate consequences. One of the reasons for the conditions which now prevail, a reason which has been proved so often as almost to attain the status of economic law, is the fact that even a small percentage of farm products produced in excess of the home requirements will set the price for the entire production, whether sold in this country or abroad.

My time is too short to go into the details of this matter, but I shall refer to one instance, that of hogs. A little less than a year ago we reached the export basis on hogs. Within a few weeks of that time, without any other factor entering into the matter, the price paid to the farmer for hogs dropped from an average of eight cents per pound to four cents per pound. The same was true of our beef cattle, and I am sure it was also true, perhaps not to the same degree, of our egg production, our butter production, and the production of those various articles to which I have referred. That being the fact, I think it would be most deplorable to throw up our hands and say that the only remedy would be to keep our production down to domestic requirements. That would be admitting an abject failure, and I do not think we are ready to do that. If we are to succeed

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in this country—and I am certain we shall in the future—and if the farmers are to succeed, they must raise more of their class and kind of product than can or will be consumed in Canada during the succeeding years. It would be a tragedy were that very energy, that very production itself to be, through the force of circumstances, the power that damned all their efforts. We must find some other way out of the situation.

What has been done to meet this condition? During the past years, by private initiative and cooperative endeavour, an effort has been made to place upon the markets of other countries and particularly of Great Britain, some of that surplus. That effort, speaking in the large, speaking as a matter of continuity of policy, has failed. The reason given is fairly obvious. Before we can enter the British market—let me use it as an illustration as it is the greatest market open to us at the present time—and maintain our trade within that market, we must assure the purchasers of those goods there of two things: first, that the goods which we sell have uniformity of quality and that they may depend upon that quality as continuing month by month and year by year. Beyond that we must assure them of continuity of supply. The British importer is not going to take the trouble to advertise and develop a market for Canadian live stock, bacon, butter or other commodities, when he is not certain at any time, having developed that market, he will be able to get those goods to meet the demand thus created. So far he has not had that assurance, and for this reason: In almost each year there are periods when live stock and butter may be sold upon the British market at a price which, in comparison with our Canadian price, will realize a profit. There are other periods when almost certainly a loss will be involved, and it is too much to expect any private shipper will keep on shipping month by month when he is losing money. But unless we can establish that continuity, why should the British importer bother with us, particularly when he can receive from other countries, notably from Denmark, the class and kind of goods he requires, with the absolute certainty that those goods will be delivered as and when wanted week by week and month by month throughout the entire year? That is a point in regard to which we must take some action.

I have neither the time nor the knowledge to go in detail into what might be done, but may I suggest two or three main principles under which such a board as has been suggested might function, and the work it might