

livestock and poultry industry. The absurd erection of trade barriers, even between the three Prairie Provinces, has created a multiple price system. Western grain growers suffered for years severe losses by being obliged to sell their surplus grain at fire-sale prices, because the Wheat Board could not take it in time, while on the other hand, charging Eastern feeders much higher prices. It is difficult to understand, by objective observers, why Western oats should not be traded freely between producers and consumers, considering that most Canadian oats remain on farms for feeding anyway and that only $\frac{1}{2}\%$ to 3% of the total Canadian production is exported.

The discrepancy between the abnormally low prices at which surplus grain was sold mostly in each of the three Prairie Provinces and the much higher prices Eastern feeders had to pay to the Wheat Board is, however, only one of the minor causes of the continuous decline of the Eastern livestock and poultry industry.

Many Western grain growers, with too much surplus grain on hand which could not be absorbed within their own province, were forced to go into an excessive production of livestock, poultry, eggs, etc., and these surpluses were then dumped on Eastern markets. This was often a severe blow to the livestock and poultry producers in Eastern Canada. *The people who live on the Island of Montreal consume more agricultural products than Manitoba and Saskatchewan combined*, but the Prairie Provinces, far away from the large buying centres and with less than 20% of the Canadian population, have been forced to produce for years $100-200\%$ more pork, poultry and eggs than the requirements of their local markets.

It is a fallacy to believe that the prosperity of pork and poultry producers depends principally on the prices of feed grain in the west or east. Eastern Canada produces close to 200 million bushels of grain and only an additional 80 million bushels of Western feed grain is needed to take care of their normal production of livestock and poultry. The most important factor is the ratio between the price pork and poultry producers can obtain for the finished product, as against prices of feed grain plus the cost of production, transportation, refrigeration, etc. It is also a fallacy to believe that poultry, pork and eggs should be produced where the grain is grown; in this particular case in Western Canada. Due to the low cost of transporting grain by rail and water (assisted by a freight subsidy) most of the poultry, eggs, etc., should be produced in Eastern Canada near the great consuming (and export) areas, because the costs of transportation, refrigeration and other expenses from distances of 1,000 to 2,000 miles from Western Canada to Toronto, Montreal, etc., are so high that Western producers mostly lost money by dumping their surplus of meat products, etc., on Eastern markets, the more as these shipments also caused depressed price levels of meat, poultry and other products. The feedmills in Eastern Canada, the hatcheries, poultry houses, piggeries, abattoirs, are better equipped than in Western Canada, and in the hands of scientifically trained, experienced, producers.

The United States, due to a better climate, are producing essential feed like Soya meal and corn mostly at lower prices, which are available on a free market to producers of livestock and poultry. The import of turkeys, other poultry and pork from the United States was quite often a contributing factor of the decline of the prices for all meat and poultry products in Eastern Canada.

In any event, even the most experienced pork and poultry producers in Eastern Canada are not able to plan their production according to the expected demand, because nobody can foresee if and when poultry, pork and eggs will be over-produced in areas where surplus grain has to be converted into meat and eggs. It is a paradox to the layman that two years ago, when there was a crop failure in Western Canada and grain growers could move easily all