

Mr. GARDINER: No; he should sell his cattle to the plants where the beef can be processed, and then the meat board will purchase the meat from those plants.

Mr. BLACKMORE: From what the minister is saying this is not designed to be a government agency to buy that surplus meat?

Mr. GARDINER: At the floor which was established as a result of representations made from Alberta.

Mr. BLACKMORE: This press release specifically states that the Wartime Food Corporation will buy. The minister now says that the meat board was going to buy.

Mr. GARDINER: At the floor price, but there was no one in Alberta who was prepared to sell cattle at the price fixed as the floor for beef. That is the reason why they were raising difficulties about it. They want to sell at a higher price than that. They want to sell it at the ceiling, not down at the bottom.

Mr. BLACKMORE: What was the floor price for fat cows on February 10?

Mr. GARDINER: The ceiling price on beef was 18½ cents all through the year, and the floor price from December 18 to February 7 was 1½ cents below that.

Mr. BLACKMORE: Below what?

Mr. GARDINER: Below 18½ cents. That would be 17 cents a side.

Mr. BLACKMORE: What would be the price on cows?

Mr. GARDINER: I have given the price of steers, commercial grade. The price of cow beef would be 16¼ cents.

Mr. BLACKMORE: The price of cows would be 14¼ cents.

Mr. GARDINER: No, 16¼ cents. The price of steer beef was 17 cents.

Mr. BLACKMORE: The minister will be interested in hearing this letter from very responsible feeders.

Mr. GARDINER: The price I gave was for beef, not cattle.

Mr. BLACKMORE: Yes, fat cows. Here is a letter from Cardston:

Alberta, February 9, 1944.

Mr. L. W. Pearsall,
Meat Board,
Ottawa, Canada.

Dear sir,

We were obliged to sell our fat cows for the best offer we could get. We held them as long as possible on your advice that improvement was expected, but fat cows cannot be held indefinitely as you are fully aware, and we received only 7½ cents for these choice cows.

Mr. GARDINER: That is the floor.

[Mr. Blackmore.]

Mr. BLACKMORE:

Cows of no more quality were bringing 9½ cents at this time last year. These same cows only grass fat, at the lowest price under your ceiling, brought 8½ cents last September. After three months of grain feeding and with advances allowed under your ceiling regulations, we are able to obtain only 7½ cents. The result of your ceiling regulations has been apparent, but so far we have seen no action to maintain a price.

Mr. GARDINER: That is exactly in accordance with what I was telling the hon. member in my statement. The ceiling price is a flat ceiling running right through the year, and cows, of course, can be sold near the ceiling while they are buying for a market in Canada. Cows can be sold at a higher price if it is possible to retail the beef right up to the ceiling. During the period when the packer was buying cattle in order to supply his market at that particular price level the farmer who sold them early in that period and got the price which was near to the price made possible were by beef being sold near the ceiling, would get something near the ceiling; but when it came to the time that the packers had all the cattle they wanted for their trade under this policy which was laid down in Calgary and recommended here from Calgary, the situation changed. The packers said: "if we buy any more cattle we have to turn them over to the government at the floor." They said: "All we can pay for cows is 7½ cents." That is the floor. They would then offer 7½ cents for any additional cows, the beef from which they were going to put in storage and deliver to the government. That, of course, is what is meant by a floor and ceiling price. What I suggest as the real criticism of the policy is that it was meant to suit the sale of fat steers to commercial feeders in the fall of the year so that they would be able to sell them as red label beef in the spring. That was all right in peace time but in war time it does not necessarily work on all grades of cattle. The reason for that is that you can sell all those steers as butcher steers when they come in. You can sell them as they come in, put them through cold storage, freeze them and ship them to Britain in quantities all during the year. Therefore it is not necessary to send them back to the farm to be re-fed. They are taken right in, and if a man comes on the market and tries to buy them and take them back he will have to pay up to the ceiling price for them because somebody else is prepared to take all these cattle and slaughter them. Under present conditions the old policy just will not work; that is all, and as soon as the few men out in that section view as a