

remember that the farmers to-day are still not receiving anything like their fair share of the national income on a per capita basis. Until that end is achieved, we cannot say that the farmers are in reality receiving fair prices for the things they have to sell. Let us put that on a comparative basis. From 1914 to 1919 the farmers, representing thirty per cent of the population, received thirty per cent of the national income. To-day the farmer is not receiving anything like thirty per cent of the national income, so that it is altogether unwarrantable to say that the prices the farmers are receiving now are out of line.

Mr. EVANS: Would the hon. member not admit that the increase in wages has lowered the percentage of the farmers' income?

Mr. QUELCH: Not only the increase in wages but the increase in the price of materials, the increase in the cost of machinery, and other factors entering into the situation. All of these would, of course, offset the return which the farmer receives. However, I simply wish to emphasize the fact that although to many people the prices of agricultural products seem high to-day, those prices do not make it possible for the farmer to get a fair share of the national income, and there are still products for which the farmer does not receive a fair price. That is true, for example, in regard to sheep, because I have here a resolution from the sheep-breeders' association protesting bitterly over the low price received for lambs and mutton. They say that they cannot be expected to expand production in sheep until fair prices are assured them. Although the prices received may encourage production there are, on the other hand, certain factors that are definitely decreasing the efficiency of farmers in production. For instance, if you go to the west to-day and speak to the farmers there you will find that they are somewhat jittery about the prices which they are likely to receive in the future. They remember what happened after the last war. They remember how prices fell within three years from the end of the war. Prices at that time went to a very low level. For example, at the end of the war cattle sold at around \$125 and the price dropped within a few years to \$25 and \$30 a head. The same was true of other lines of produce. The farmers remember that fact; they do not intend to be caught in the same way after this war if they can avoid it, and that has a detrimental effect on production. They hesitate to make capital expenditures and to expand their holdings of stock. It is necessary, therefore, that the government should at the earliest opportunity give some assurance to the farmers that the prices now received will be maintained

and a market guaranteed for a certain length of time, instead of expecting farmers to operate from year to year in a state of uncertainty.

Three or four years ago I visited several farms in the west where I saw two or three brood sows being kept. On those same farms to-day there are anywhere from twelve to twenty brood sows, but there is hardly any change in the buildings and the conditions for raising pigs. The reason the farmers give is that they do not know how long they will remain in hog production at that height. They say, "We are keeping twenty brood sows to-day, but if prices drop we will go out of hog production. We will not make the necessary capital expenditures to put up the hog houses needed to take care of the hogs efficiently." That is bound to have a detrimental effect on hog production, and that condition is largely to blame for the high mortality in young hogs. Throughout the west, in the part of the country in which I live, there was a heavy loss of young hogs last year. One could see young hogs herding out of a small building on a cold day, many of them sweating, with the result that they got pneumonia and thousands died. It is said that the farmers received a poorer grade for hogs now than in the past and I have a number of letters making that charge. If it were said to the farmers that this was owing to the fact that the hogs were not raised under ideal conditions, I doubt if the farmers would agree, because they blame the packers rather than the way in which the hogs have been raised. But I can visualize the raising of hogs under conditions that are not ideal having a detrimental effect on the grade of hogs.

In the past few weeks I have received a number of letters stating that since the new hog policy has come into operation the grading and dockage of hogs have increased tremendously, and the increased grading and dockage have offset the price. Whether that is due to the packers or to other causes I will not say; but no doubt the farmers would blame the packers, and if I were farming now I would do so, from past experience. I think the government should be in a position to give the assurance to which I have referred, and I suggest that the assurance could be given without the government taking any risk even if they want to continue the same type of export policy they had in the past. The demand for the produce will stay up until the end of the war. We have every reason to believe that and to believe that there will be a good market for our produce for a number of years after the war. There will be a higher demand than at the present time because more shipping will be available.