Hog Prices 12 Months Hence

Canada and the United States are asked to increase their hog production as greatly as possible in order to help meet the grave shortage of meat in Great Britain, France and Italy.

The shortage in Europe is the best guarantee of the stability of the hog market during the next twelve months. There are 115,000,000 fewer stock animals in the herds of Europe than before the war. The hog shortage alone is 32,425,000 animals—about ten times the total number of hogs in Canada to-day.

In the United States, there are to-day ten per cent. less live hogs than there were a year ago. Further, the American Packers' cellars have never been so bare of hog products at the inception of a winter packing season as this year. During October, 31,000,000 pounds of meat were taken out of Chicago warehouses alone, and a similar raid was made at other points.

Hog Receipts Decreasing

Another indication of the decrease in hog production is in the receipts of hogs at Stock Yards in the United States:—

To the end of October, 1916, they were 33,035,831 hogs.

To the end of October, 1917, they were 28,314,598 hogs.

This shows the great decrease in 1917 of 4,721,233 hogs.

Taking the month of October alone the receipts in 1916 were 3,592,016 hogs. For the month of October, 1917, the receipts were 2,498,244 hogs. This shows a decrease of 1,093,772 hogs for the last month for which we have figures.

In Canada, the receipts at Stock Yards from the first of January to the end of November, 1916, were 998,131 hogs. For the same period in 1917, the receipts were 868,196 hogs. This shows a decrease in Canada of 129,935 hogs.

While the supply of hogs in Europe and America has been rapidly decreasing, the consumption of bacon and hams overseas has increased enormously since the beginning of the war. Here is the statement of the British Imports:—

In 1913 they were	638,000,000 lbs.
In 1914 they were	664,000,000 "
In 1915 they were	896,000,000 "
In 1916 they were	1,006,000,000 "

With the enormous shortage of hogs and other stock animals in Europe, and a marked decrease in the number of live hogs in North America, there appears to be no reason why there should not be high prices and a stable market for hogs during the next twelve months and longer.

Government Action

The Government's announcement of control and limitation of Packers' Profits will establish confidence and further stabilize the hog market. The official announcement in brief is as follows:

"1. No packer shall be entitled to a profit of more than 2 per cent. of his total annual turnover, that is his total sales during any one year.

"2. If the 2 per cent. on annual turnover exceeds 7 per cent. on the actual capital invested in the business, the profits shall be further restricted as follows:

"(a) Up to 7 per cent. on capital the packer may retain the profits.

"(b) If the profits exceed 7 per cent. and do not exceed 15 per cent. one-half of the profits in excess of 7 per cent. shall belong to the packer and one-half to the Government.

"(c) All profits in excess of 15 per cent. shall belong to the Government."

United States Action

In addition to the action of the Dominion Government, Herbert Hoover, the United States Food Controller, states in a Government Bulletin:—

"I therefore wish to make this positive statement: that, so far as the United States Food Administration is able, through its influence on the purchase of pork and its products for exportation, it will do all within its power to see that prices of pork are maintained in a ratio to feed prices that will cover not only costs of production, but proper remuneration to the producer.

"By a system of license control of manufacturers and distributors the Food Administration will further help the producers. This system will tend toward the abolition of speculation, the punishment of profiteering, and the assurance that the consumer receives the product at a fair ratio of the producer's price, and that, vice versa, the producer receives a fair interpretation of the consumer's payment."

This decision of the United States Government to support the American hog market will have a stabilizing effect on the Canadian hog market, because whatever influences the American live stock market will act to pretty nearly the same extent on the Canadian market.

The action of the Dominion and United States Governments, considered in association with the figures showing the tremendous decline in the European and American hog production, and the figures showing the vast increase in British ham and bacon imports since the war, establishes confidence in the stability of the hog market for the next year.

Save the Young Sows

Young sows which are slaughtered now only produce about 150 lbs. of meat per sow. By breeding them, many times that quantity of meat can be produced ready for market in ten to twelve months. Every pound of pork that can be raised will be needed.

Bacon is a military necessity. It is the most compact form in which meat can be supplied to the armies. It is about 50 per cent. fat, and fat is worth twice as much as starch as a producer of energy and stamina.

Bacon is the great "fighting" food. The armies of the Allies must be supplied with hundreds of millions of pounds of it, and they look to Canada and the United States to supply it. That means a tremendous increase in hog production in 1918 is a vital necessity.

Dominion of Canada Department of Agriculture

LIVE STOCK BRANCH
OTTAWA

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