

and it was physically impossible to take in additional supplies of perishable commodities, such as bacon, frozen beef, etc.; there was a modified continuation of the blockade; and in most of the countries there was no ready money to pay for supplies. On the part of the Government of the United Kingdom there was an evident desire and intention to bring about de-control as soon as possible, but as soon as they took measures to that end they found it impracticable to proceed without grave risk to the regular arrival of supplies and without putting their fixed maximum retail prices in jeopardy.

#### **Illustrations from Bacon, Beef and Wheat.**

A difficult situation was created for Canada, particularly in the case of bacon, frozen beef, and other perishable foods. There were about 25,000,000 pounds of bacon in Canada which had been provided and prepared for the Allied market. When the demand ceased, the packers in Canada represented that they would have to shut down on buying hogs unless they could send forward their products regularly. The farmers throughout Canada had hogs ready to market which they had grown and fed, in large measure, in response to the increased production campaigns which had been put on by the Dominion Government in co-operation with the Provincial Governments. The quantity of bacon was not relatively large, but the situation was further complicated by the fact that during the war the Allied Provision Export Committee had been obtaining about 5,000 tons of bacon from the United States for every 1,000 tons procurable in Canada. Consequently, although there was no business agreement, it seemed equitable that if the British Ministry accepted

the 10,000 tons from Canada they would be under an apparent moral obligation to take five times that quantity, or 50,000 tons, from the United States. For them to purchase that quantity under the circumstances was out of the question. The American Food Administration did not press a claim for equality of treatment with Canada. That facilitated an agreement and arrangement whereby the Canadian bacon was disposed of satisfactorily. I mention this particularly to illustrate the fact that Mr. Hoover, as representative of the United States in food matters, in this, as in every other case, regarded Canada and her interests in the spirit of a friendly associate, with a leaning, if there ever was a leaning from strict equity, towards doing her a good turn whenever he could.

In the case of frozen beef, the Ministry of Food in the United Kingdom represented that it was not only financially, but physically, impracticable for them to receive any additional supplies from Canada. The Ministry had made considerable purchases in the Argentine at about 11½ cents per pound, and elsewhere at relatively low prices, whereas the cost in Canada was about 25 cents per pound. During the war the scarcity of tonnage on the ocean made it impractical to lift the Argentine supplies. That condition was expected to be changed after the armistice. The British Ministry, by agreeing to assist in providing some of the cold storage steamer space required, helped to bring about an agreement whereby a considerable quantity was sold to Italy. Afterwards shipments by private firms to Belgium and elsewhere permitted all our stocks to be cleared at what were regarded as satisfactory prices.

In the case of wheat, while the British Ministry desired to have a return to free commercial trading as