

Supply—Agriculture

sharply; as a matter of fact, we are not exporting any pork to Great Britain at the moment.

In 1951 hog marketing in Canada amounted to \$251 million; in 1952 it amounted to \$263 million and in 1953 it amounted to \$238 million, a small drop in the returns for that year.

During the years 1951 and 1952 the hog-barley ratio—and that is something I shall mention a little later on—was quite favourable toward the production of hogs. The hog-barley ratio is something that has been developed over the years and it has become a sort of yardstick by which hog producers can ascertain with some degree of accuracy what the chances are of their realizing a profit out of feeding feed grains, especially barley, to pigs.

The hog-barley ratio is the number of bushels of No. 1 feed barley that equals 100 pounds of grade B1 pork plus the premium and over the years it has become an established principle. In these two years 1951 and 1952 the hog-barley ratio was such that there were fair prospects that the farmers could make a profit. In this regard I should like to mention that the hog-barley ratio is also used in the maritimes and other places in Canada to calculate the prospects of making a profit out of hog production.

On this point I should also like to mention a matter raised by the hon. member for Westmorland who yesterday continually reminded us of the fact that the taxpayers of Canada were subsidizing the western farmers in respect to the storage bill with which we were dealing. In this connection I would point out that we in western Canada have shipped \$234 million worth of grain to the maritimes and to eastern Canada all of which received a freight subsidy paid for by the taxpayers of Canada. I believe that is a good principle and I hope it continues. I was sorry last year when the minister cut his appropriation in that regard. This is one of the things which eastern members possibly overlook.

Early in 1953 the government reduced the floor price on hogs across Canada to \$23, 100 pounds for grade A hogs f.o.b. Toronto and Montreal. I feel if we are going to have a support price and if that support price is to mean anything, then this drop to \$23 from the original \$26, which it was prior to 1953, was completely unjustified if we are going to live up to the spirit and the letter of the act as laid down in 1944. I refer, of course, to the Agricultural Prices Support Act.

We must remember that in 1953 barley was worth \$1.22 a bushel and the long-term average for the hog-barley ratio is 18 bushels.

In other words, it took 18 bushels of No. 1 feed barley to equal in value 100 pounds of B1 pork. With a little calculation you can see it would have taken \$29.77 worth of barley to equal 100 pounds of B1 pork at that time. Nevertheless in the face of that the government thought it necessary to drop the support price from \$26 to \$23 and I say it was completely unjustified if they are going to live up to the letter of the regulations in the Agricultural Prices Support Act. I am going to refer to that a little later on in order to elaborate and expand this point.

The question now arises, why did the government drop the price from \$26 to \$23? Obviously there must have been some reason; at least we must assume there was a reason.

In the November issue of the *Current Review*, which is a publication of the economic division of the Department of Agriculture, the minister's own department, we find that in 1955 the price of hogs dropped disastrously. As a matter of fact, some of the figures I have, indicate that pork dropped \$7.77 from June 1 up until a month or two ago.

In this review which I have mentioned and which was sent out by the minister's department, we find that in 1955 there were 18 per cent more hogs on farms in Canada than there were in 1954. In the province from which I come there were 32 per cent more hogs than in 1954. Immediately it will be said that much of the reason for the drastic drop which I mentioned in hog prices was because of that increase, but if we look further into the review which I mentioned a moment ago we find that that is not exactly the case.

We find that the total disappearance of meat in Canada in 1955 amounted to something over 119 million pounds more than in the year before. It is interesting to note that of the 119 million pounds of meat which disappeared in 1955, 86 per cent was pork or 102,568,000 pounds. The total estimated pork production in 1955 according to their calculations was about 105 million pounds more than in 1954. Taking into account exports in 1955, which were in the neighbourhood of 4,500,000 pounds, we find that Canada ended up with about the same pork stock in 1955 as she had in 1954.

As I pointed out earlier, the figures for 1955 in connection with production disappearance, etc., were the same as in 1954, but the price at Winnipeg averaged \$29 a hundred pounds for grade A in 1954. However, in 1955 the price steadily declined from \$29 to \$20 or less.

Here we see a completely unwarranted dislocation of pork prices because of the government's refusal, first to introduce a national