

Hon. J. J. DONNELLY: Honourable members, this trade agreement has been considered at great length on the other side of the Parliament Buildings, and we have had two very good speeches on it in this House to-day. I rise only to refer briefly to some features of the agreement as they affect that portion of Ontario from which I come.

Most people will remember that when this agreement was made the newspapers supporting the Government carried large streamers telling about the great increase that would follow in the price of cattle, and the consequent amount of money that live stock producers would receive under the new treaty.

In Ontario we never before had such a crop of grain and hay as we had last year. As a result of propaganda virtually all the farmers bought stockers at high prices last fall and fed them their grain and hay. When they place those stockers on the market this spring, unless live stock prices increase in the meantime, they will, in my opinion, be unable to realize much more than the money they borrowed from the banks to purchase the stock.

I may say the duty on live cattle was reduced from three to two cents a pound, and our stock producers were led to believe that they would realize that difference of one cent a pound. The honourable leader of the Government in this House (Hon. Mr. Dandurand) has spoken very eloquently of the treaty. Well, what the live stock dealers are most concerned about is the increased size of the cheque they will get when their stock goes on the market.

I took the trouble to-day to look over the files of the Toronto Globe of March 26, 1935, and I made a few extracts from the live stock market report for the week of last year corresponding to the week we are now passing through. These are the extracts:

Choice weighty steers closed \$6.75 to \$7.50 per 100 pounds; butchers, \$4 to \$6 per 100 pounds; good cows, \$3.75 to \$4.75 per 100 pounds.

Representative sales were given as follows:
 15 steers 1,290 pounds, \$7.50 per 100 pounds.
 2 steers 1,195 pounds, \$6.75 per 100 pounds.
 27 steers 1,170 pounds, \$6.50 per 100 pounds.

I also made extracts from the live stock market report of the Globe of yesterday, as follows:

Choice weighty steers closed \$4.50 to \$6 per 100 pounds, with choice heavies up to \$6.50; butchers, \$4 to \$5.25 per 100 pounds; good cows, \$3.25 to \$3.50 per 100 pounds.

Representative sales were given as follows:
 13 steers, 1,720 pounds, \$6.25 per 100 pounds.
 27 steers, 1,250 pounds, \$5.50 per 100 pounds.
 25 steers, 1,100 pounds, \$5.25 per 100 pounds.

It will be found by going through these figures that the price of cattle to-day is practically \$1 per hundred pounds less than it was a year ago this week.

Hon. Mr. LYNCH-STAUTON: Less than it was?

Hon. Mr. DONNELLY: Yes. I am in both cases quoting the live stock market report of the Toronto Globe. That loss is a matter of much concern to the live stock producers. I am very sorry to observe this reduction, for I should like to see the price of cattle going up. We all believed we were going to make money out of cattle. I think certain of our people are to some extent responsible for the decline. I noticed about the 1st of January, according to the Press in certain parts of the Dominion, one train-load or more of cattle was ready to be shipped to the Chicago market just as soon as the trade agreement took effect. Now, the business ethics of a country are just the same as those of an individual. I have always noticed that a successful business man never broadcasts what he is going to do, but lets somebody else tell what he has done. That news reached the Chicago market. I believe it had a depressing effect, and that market has been dropping ever since. It is really on account of the drop in prices in the American markets that live stock prices in Toronto are so low at the present time.

There is another feature of the treaty which affects that part of Ontario from which I come. Outside the cities our people are largely interested in agriculture and manufacturing. Perhaps the principal manufacturing industry in Western Ontario is furniture. I take that portion of the province from Kitchener and Stratford north, where you will find furniture factories dotted all over the country. As a result of this treaty the duty on furniture has been dropped from 45 per cent to 27½ per cent. I do not pretend that high-class furniture is selling any cheaper in the United States than it is in this country, but there is a cheap class of furniture manufactured in the Southern States, where labour is cheap and the cost of putting up factories is very low. Our American friends have at all times made a practice of sending their surplus production in here rather than break their market at home.

When I refer to the furniture manufacturers of Western Ontario I speak of something of which I have a personal knowledge, because as a lumberman I have done considerable business with them. I may say that practically all the furniture manufacturers