

of Canada to-day is in the unfortunate position of not receiving his fair share of the national income. I will go further and say that in most instances he is not receiving for his products prices which will pay for the cost of production and give him a reasonable profit. May I pause here to say I am glad that in the fourteen points which the new leader of the Progressive Conservative party enunciated some time ago there is included the principle that all classes of primary producers should receive a fair share of the national income.

Moreover, if agriculture is to reach the production which is being asked for the year 1943, it is absolutely essential that the farmer should not be asked to produce at a loss. I do not believe that Canada will ever enjoy the prosperity to which our agricultural areas and resources entitle us unless our primary producers can buy the goods and services they need. I believe it is an economic fact that income derived from primary production creates the buying power of the country. It is new wealth which is being produced each year, and for that reason it is one of the factors which contribute very largely to the country's buying power. If the farmers and other primary producers of this country or of any country are not prosperous, that country cannot enjoy the prosperity which it should.

I am not pleading for extremely high prices for farm products. I am not asking for prices which will bolster up inefficient or poor management. I am not asking for prices which will encourage the cultivation of the sub-marginal lands in certain areas of this country. If we see to it that the farmers receive a fair price for their products, they will deliver the goods. There is no doubt that if the farmer is assured reasonable prices, if he is supplied with a reasonable amount of labour, he will produce to the fullest extent.

There is another reason why these price ceilings are not satisfactory. If there is one thing more than another that the farmers have complained of in days gone by, it is the rapid and violent fluctuations which occur from time to time in farm prices. A farmer must plan a long time ahead. If he is going to produce grain he must plough his land anywhere from six months to a year before he can place the grain on the market or even feed it to his stock. It seems to me that stability in farm prices is absolutely essential, and yet the war-time prices and trade board has perpetuated this system of price fluctuation. In the case of butter, prices are on a sliding scale, and the same applies to beef.

In this respect may I pause to make a suggestion. Under the present arrangement

the peak of beef prices will be reached next May. Farmers all over the country, particularly those who have an abundance of feed, are holding their cattle in the hope of realizing these high prices next May. That is one reason why there is to-day a scarcity of beef on the markets of Canada. I would point out that there is grave danger that when the time comes when these higher prices are to be paid there will be such a glut on the market that the abattoirs will be forced to reduce prices in order to cope with the situation. The whole price ceiling policy to-day as it applies to beef seems to me to be most complicated and blundering.

There is another reason I should like to advance to show why it is unsatisfactory. A ceiling price has been placed on beef and it has had the effect of setting a price for killer cattle. But the price of stockers has been allowed to find its own level, and last fall when many men were anxious to buy stockers they found that the price was actually higher than for the cattle which were finished in their stables and which the farmers wanted to sell. The result was that in a great many instances those cattle were held over, and the feed lots in Ontario and eastern Canada were allowed to remain vacant. That was a most unsatisfactory and unhealthy condition to prevail, particularly when we are so badly in need of beef.

There is another matter to which I wish to refer. Last fall, when the beef shortage began to become apparent and when the quota of cattle which we were supposed to export to the United States began to operate in the last three months, the government set up a food corporation the duty of which was to purchase the cattle which were destined for the United States. Drovers went into the country, bought up these cattle at Canadian prices and then sold them to the food corporation at United States prices which were as much as twenty and twenty-five dollars more than the farmer received for the cattle. Somebody made a handsome profit out of these transactions and certainly it was not the farmer, the man who was entitled to it. I am afraid that the activities of the food corporation at that time cost the country a very pretty penny indeed. I have pointed out these matters in the hope that something will be done to remedy the situation.

Just for a moment I should like to refer to another matter. I listened with a good deal of interest and attention last night to the remarks made by the leader of the socialistic group to my left. With his description of conditions in agriculture I very largely agree, but in a recent address which he delivered over the