

Hon. Mr. HORNER: I mean as live stock, not as bacon?

Hon. Mr. RILEY: There must be some stablization of the market before farmers will again go into the raising of hogs.

Hon. Mr. HORNER: We need certainty of price. If a farmer takes a loss on wheat, he is over and done with it; but feeding stock at a loss is one of the hardest things in the world to persuade a farmer to repeat.

Hon. Mr. BURNS: If you could only assure a price of five cents a pound at point of shipment there would be no trouble, and a lot of money would be left in the country. I think our own company to-day is paying \$4,000,000 a month more than they were a year ago for hogs. A year ago we were paying two and a half cents a pound; to-day we are paying eight and nine cents a pound. Take Alberta and Saskatchewan, I would say that there would be a difference of between \$10,000,000 and \$15,000,000 in the price paid for hogs to-day as compared with a year ago. I think five cents is low, but if six cents could be assured Saskatchewan and Alberta would forget their hard times in a month.

Dr. BARTON: One organization in the West, I believe, has guaranteed a minimum price of five cents for three years.

Hon. Mr. BURNS: Then there will be a large number of hogs raised.

Hon. Mr. RILEY: Farmers I have talked with tell me they are through raising hogs. They say, "What guarantee have we got that when the next batch of hogs is ready for market the price won't be the same as it was a year ago, two and a half cents?" Until there is stabilization of the market they are not going to raise hogs, and you will not fill your quota of 280,000,000 pounds.

Dr. BARTON: Hogs multiply quickly. Price is the great incentive, and very often it means the undoing of the market. As you say, it is impossible to predict prices, but we are situated a little differently than we were. The explanation of the high price to-day is the action which the British authorities have taken through their quota regulation to raise the price to their own hog producers. Now the question is whether or not they can maintain it. But they have been able to raise the price, and we have an assured place in that market, whatever it is, to the extent of 280,000,000 pounds for some time to come.

Hon. Mr. BURNS: The farmers would soon clear off their mortgages if they could get a price like that.

Dr. BARTON: We are anticipating a substantial increase this year, but it is impossible to say what it will be. There are other factors, for instance, the consumption here. We are exporting now more bacon than we did last year; at the same time our hog production figures are lower. We have estimates of a decreased hog production last fall. That means that a larger proportion of our manufactured bacon is going to the Old Country than was the case last year. As the price goes up consumption here goes down. It is the same with beef: people are eating more of the lower price beef, and there is some movement in the price of cattle. There are some sales of six cents, which is at least a hopeful indication. All these things are interlocked, one reacts on the other.

Hon. Mr. RILEY: Dr. Barton, our export price governs the price at home?

Dr. BARTON: It certainly does in large measure, and it is doing so now, but our consumption at home will react on the price.

Hon. Mr. RILEY: Is it true that at the present price of bacon live hogs should not fetch over four and a half cents?

Dr. BARTON: At the present price of bacon in the Old Country?

Hon. Mr. RILEY: Yes.

Dr. BARTON: The relationship?

Hon. Mr. RILEY: Yes.