

Soybean oil coming from soybeans is competitive just as cottonseed, and so on; and that to a great extent determines the price of the soybeans. Mr. White mentioned the association which marketed the beans. This association operates under the Farm Products Control Act of Ontario, and they have certain powers under that Act. It was only a skeleton deal, I would say, to start with. I was in Toronto when it was discussed with a former Minister of Agriculture and he gave these crop growers certain powers under the Act. This Act can be changed and I think it should be. The growers, over a period of years, have been able to secure a lot of experience in marketing and they are perhaps able now to consider changes in the Act which would perhaps do a better job for the growers.

I think they have done an excellent job to date. Mr. White also mentioned that the price of soybeans went up immediately when the export market was procured. I think that is only a natural thing to happen in the trading that takes place with any commodity. In the negotiations with dealers, sales have always been based on Chicago futures, and the market would change every day.

Well, beans were down in the United States and down pretty badly when the market opened; and I think the problems which affect western Ontario, can be listed under these three headings: freight rates, water transportation, and orderly marketing.

Freight rates on soybeans coming from Detroit to Toronto are cheaper than on soybeans coming from Essex and Kent counties.

As regards water transportation, through elevators and so on in southwestern Ontario, Port Stanley is practically the only spot where they are shipped by water, and that has just started. I think you will find there will be other elevators able to provide that water transportation which will, no doubt, bring the freight rates down. Freight rates are a big factor in the marketing of beans from western Ontario. Another situation developed with combines and so on. Most people with any grain crops like to produce the beans and take them to the elevator in a week, say. That has caused serious difficulties with the buyers. They have had sometimes hundreds of cars on which they pay demurrage in Toronto.

I think it was suggested one year when the situation was not too good that the farmers, should market one-third, put one-third in public storage—and public storage should be made available by the government—and maintain one-third on their farms. If that had been done this year they would have received much more money on the average for their beans. Those are some of the problems that the bean growers in western Ontario have had. Now, this particular crop can be grown, it has been proven, five or six years consecutively on the same land, and perhaps the yield will increase as you go along, but after five or six years disease develops and you get into some difficulties. To show you more about the freight rate situation, soybean meal for the Windsor to Woodstock area is brought in from the American side to use by the feeders in western Ontario, because with the shipping of the beans to Toronto, where the soybean meal is made, you can ship it back only so far to compete with the American meal. That market has been supplied by the American meal, and I think Woodstock is about the breaking point. That varies in some years. But this crop has taken some acreage from oats, some acreage from corn, in western Ontario, and has done a tremendous job for the man who has had heavier land. You can grow good corn on heavy land, but not as consistently as you can beans. Corn will not stand the water as well as beans. So in the heavier land areas of western Ontario the farmers have really prospered by growing beans, because they cannot depend every year on a crop of corn on this heavier land.