

were carrying grain at a loss under the rates provided for export. I do not think that claim can be sustained, because the railway companies are not carrying grain at a loss under the rates provided for in the Crowsnest pass agreement. It has been made abundantly clear that the chief cause of the present unsatisfactory position of railway finances is the smaller amount of grain which has been moving during the last few years. In urging that the internal freight rates be reduced we are not advocating that grain should be carried at a loss. A principle has been laid down, I believe, in regard to freight rates based upon what the traffic will bear. I do not intend to interpret that as meaning all the traffic will bear, but I believe it is the accepted principle to charge what the traffic will bear. That means that there are certain classes of freight which from their very nature must be carried at a cheap rate. Otherwise they will simply remain where they are and people will have to do without them because the freight rates charged will not permit them to be moved. We are now faced with a condition under which some of our commodities will not move freely. I refer particularly to the rates on grain to the Pacific coast and to the maritime provinces. The situation is this: the people of British Columbia who want to use the grain from the prairie provinces cannot purchase it at a price they can afford to pay, because of the high freight rates prevailing; the same is true with regard to the maritime provinces. Much emphasis has been laid, and properly so, upon the question of eastern Canada using the feed grains of the west. This is a question to which consideration must be given and a revision of these rates should be made in order to make it possible to carry that grain to eastern Canada and put it in the hands of the feeders in that part of the country. That would be of benefit not only to the producers of western Canada, but also to the consumers in British Columbia and the maritime provinces, and I do not believe any loss would result to the railway companies.

Since I have spoken for some time I will not attempt to deal with the question of wheat markets. I will leave that phase of the matter to the hon. members who will undoubtedly follow me in this debate.

There is another problem which to me seems to be of prime importance, and one to which the government should give consideration; I refer to the question of our meat products. The statement has been made again and again that western Canada—I am speaking now only for the west, but the same probably would

apply to the east—is capable of producing immense quantities of beef and pork. There is simply no limit to the amount of pork which could be produced were marketing conditions more satisfactory. I say this advisedly; there is no limit to the amount of pork that could be produced. We have the land, we have the climate, we have the grain; we have everything necessary to produce bacon of the best type in unlimited quantities. But what happens? The very moment more than the regular supply appears upon the market, down goes the price. I once had the privilege of going through the Harris abattoir plant in Toronto and I saw the character of work which was being carried on there. One of the gentlemen in charge of that institution told me that they had a plant in Winnipeg which was idle at the time because they were unable to get sufficient live hogs. I told him what was the trouble, namely that the farmers had no encouragement to enter into production of hogs, because, as soon as a little extra supply came on the market, down went the price at which the farmers had to sell them, even less than the cost of raising them. If I may be excused for giving a personal experience, I think it was about four or five years ago I started in the spring with fifty young pigs. I would have been better off, as I found out at the close of the season, if in the spring I had knocked every one of them on the head. That is absolutely true. Of course it has to be taken into account that at that time barley was fetching a good price, and we do not want to feed pigs simply for the sake of the company; we want to raise stock so that no matter what the relative prices of pork and grain may be, we shall receive at least something for our work.

Mr. BENNETT: When was it that this happened?

Mr. BROWN: I am speaking of something that happened four or five years ago, when I said that we were often compelled to raise live stock at a loss. Such an experience discourages one from repeating it the following year. I am quite well aware that taking one year with another, farmers may some years have to carry on with a little less profit than others, but at the present time and under present conditions we are bearing the whole burden. As I said in a former speech in the house this year, just about two weeks before we came east, the price of hogs on the Winnipeg market went down to 5½ cents a pound one day just because the packers were sitting in their offices and would not come out to buy hogs. It is true that in a week or two the price went back to about 7 cents a pound,