

Board was to co-ordinate the activities of all commodity boards established under the Department of Agriculture; to direct the diversion of food products produced in Canada to fill export contracts, to meet the needs of the Armed Forces and to supply deficient areas in Canada; and to provide a medium for co-operation between the Department of Agriculture and the Wartime Prices and Trade Board in all matters pertaining to agricultural production, price adjustments and subsidies.

Meat Production.—In the story of Canada's wartime food production effort there is no more impressive chapter than that relating to the development of meat production. Immediately prior to the War, hog production was the only very encouraging feature of the live-stock industry in the Dominion. Hog production had been steadily increasing under the stimulus of good markets and an abundant supply of feed grains. Processing capacity and other handling facilities were considerably in excess of normal requirements and when the first bacon contract was negotiated with the British Ministry of Food involving weekly shipments of 5,600,000 lb. up to Oct. 31, 1940, it was a comparatively easy matter to exceed this quantity. The second agreement called for deliveries of 425,000,000 lb. between November 1940, and Oct. 31, 1941, and again the hog industry was able to complete this contract in advance of the contract period and thus relieve the situation in the United Kingdom which had been complicated by the loss of Continental European sources of supply. A third agreement involved a quantity of 600,000,000 lb., an increase of 269,000,000 lb. over the amount shipped during the first year of the War; the following year the amount was again raised to 675,000,000 lb. This year marked the climax in Canada's hog production effort when an unprecedented volume of hog marketings enabled the shipment to the United Kingdom of nearly 700,000,000 lb. of wiltshire sides and cuts. The chief factors that contributed to this phenomenal production were the assurance of a market at good prices for at least a year in advance, an abundance of feed grains, and a favourable price relationship between the prices of hogs and the prices for grain and other farm products.

An agreement covering the years 1944-45 involved total shipments of 900,000,000 lb. The peak of production had been passed and during 1945 hog marketings fell off sharply. Contributing factors to this decline were the gradual reduction of the feed-grain surplus, the shortage of farm help and the gradual loss by the bacon industry of the advantageous economic position which it had enjoyed during the earlier years of the War. In spite of the falling off in production, shipments for the two-year contract period amounted to more than 1,103,000,000 lb.

WARTIME BACON AGREEMENTS WITH THE UNITED KINGDOM

	(Million Pounds)				
	1939-40	1940-41	1941-42	1942-43	1944-45
Minimum contract.....	291.0	425.6	600.0	675.0	900.0
Actual shipment.....	331.0	425.6	600.0	675.0	1,103.8

Throughout the war period, the quality of Canadian bacon was maintained at a high level. However, the percentage of carcasses making the top grades did fall off somewhat in the face of pressing demands from the United Kingdom for increased quantities.

The negotiation of successive agreements, at firm prices throughout the year, had the effect of eliminating most of the seasonal variation in Canadian hog prices. While this factor contributed substantially to the increased production, it also had the effect of disturbing the seasonal pattern of production and necessitated the