

# BOTH PARTIES APPROVE BONUS ON CHEESE, HOGS

Second Reading Given  
\$3,500,000 Expenditure  
on Farmers' Subsidies

## QUOTAS DISCUSSED

Blessed by both sides of the House, the Cheese and Hog Subsidy Act, which authorizes the Government to spend \$2,000,000 in cheese and \$1,500,000 in bacon subsidies, was given second reading yesterday in the Legislature.

Agriculture Minister P. M. Dewan said that, even with the promise of the 2 cents bonus on every pound of cheese produced for British export, production in January and February was down 50 per cent and for March, 37 per cent from 1940.

Obviously, he claimed, Ottawa was worried about the prospects of filling the 112,000,000 pound quota or the Federal Cabinet would not have passed its Order-in-Council giving power to halt the production of colored cheese for domestic consumption. Both the Minister and succeeding speakers asserted that the price upswing for milk for processing was drawing milk from the cheese factories.

On the bacon subsidy policy, the department has agreed, he said, that the \$1 and 50 cents bonuses on the two top grades will be paid only on carcass-graded hogs. Since the session opened, strong pressure has been brought on the Government to permit bonus payments on live-weight grading. Under the policy, small domestic packers will be required to do their own rail grading and to pay farmers on that basis. He said some smaller plants are already buying hogs on that basis, and the department felt that the principle can be extended.

To questions by Opposition Leader Drew and Leopold Macaulay (Con., South York) as to whether or not the Government had made a positive proposition to Ottawa for a joint solution, both the Minister and Premier Hepburn declared that co-operation toward raising the basic prices had been refused in conferences.

### Calls Farmers "Casualties."

Colonel T. L. Kennedy (Con., Peel) a former minister of agriculture, said the bill should contain a definite time limit for the payment of bonuses. According to its terms, it remains in effect from Feb. 1, to the end of the current fiscal year.

"I am not so sure that we should leave all these things to Ottawa," he said. "I am probably the only one in the House who feels this way. But we pay 50 per cent of the Dominion's taxes and it would be better for us to pay 100 per cent towards helping our farmers."

Farmers, he said, were the first "casualties of this war and casualties get compensation." He said a fund should be set up, whether it be \$10,000,000 or \$12,000,000 to see that farmers are protected.

James de C. Hepburn (Con., Prince Edward) and Dr. Harold Welsh (Con., Hastings East), both representing leading cheese producing counties, backed the act. The former advocated that the basic price be raised from 15 to 19 cents.

The subsidy brought the basic price to 17 cents. "I would advocate and advocate seriously the placing of a basic 19 cent price, that is a 4 cents bonus over the present basic price of 15 cents for every pound exported to the British market."

APRIL 8

# Exchange Board Ruling Seen Stopping Tourists

Restrictions of the Foreign Exchange Board on Canadians visiting across the line is "hardening" feeling in the United States against Canada, Leopold Macaulay (Con., South York) declared last night as the House considered a \$300,000 item in the estimates for tourist publicity purposes.

"We're all Anglo-Saxons and we like to give and take, but for every dollar the Foreign Exchange Board cuts off, we're losing \$4 in United States currency," asserted Mr. Macaulay.

Premier Hepburn said he appreciated the fact the restrictions "created a feeling of antagonism," but he didn't know what steps could be taken to lift them. He added that Douglas Oliver, Ontario's director of publicity, had admitted these restrictions were the greatest handicap to overcome in inducing the United States tourists to visit Canada.

The Legislature made rapid progress with the estimates, passing those of the Health, Agriculture, Highways, Prime Minister's and Treasury Departments without much comment.

John Glass (Lib., Toronto-St. Andrew) deplored what he said "were anti-Semitic" signs through the Province, and he asked that steps be taken to eliminate them. "We ask people to come here from the States and then we insult them," he declared.