

net value in 1917 was \$453,038,600, and the net value in 1941 was \$139,500,000. Then we find this paragraph:

Thus, while wheat production in 1917 was 45,257,150 bushels less than in 1941, the western farmers in 1917 received \$313,538,600 more for their crop than the wheat farmers in 1941 received for their greater production.

I wonder if the minister realizes the significance of these appalling figures. I wonder if hon. members realize what they mean in sabotage of the production effort of the agriculturists in Saskatchewan. Yes, it is sabotage. It is sabotage by the financial system, pure and simple. They have not talked about the quota and all the damage it does to the farmer. I read another one:

During the present war, farm prices in Canada have been substantially below prices in practically every one of the warring nations.

I interject to ask the Minister of Finance if he can conceive of a reason why agricultural prices in Canada should be lower than in any other country of the warring nations. What has gone wrong with Canada that she should become all of a sudden so meticulous about giving farmers low prices? Is she producing a different type of farmer from what the other countries are producing?

This situation followed a ten-year period of extraordinarily low agricultural prices. Wheat for instance reached the lowest point in three centuries. Prairie farm income dropped \$2.5 billion in the seven-year period following 1930 as compared with the seven-year period prior to that date. In the year 1926 agriculture received 24 per cent of the national income. In 1931 it received only 14.83 per cent of the national income. The figure for recent years has reached about 15 per cent. As one-third of the people in Canada are actually engaged in farming, it is obviously unfair for them to receive only one-sixth of the national income.

Yet in a country where conditions like that have been allowed to come to pass the minister tells us that Canada has reached her peak of production. And would the hon. member for Danforth, if he were in his place at the moment, tell us that the financial system is sound which permits a thing like that? It is not sound.

An hon. MEMBER: Except for the banks.

MR. BLACKMORE: It is not sound even for the banks, for the banks are losing their money. How will the banks and mortgage companies get their money if they utterly impoverish the people who owe the money? Apparently their only object is to get the land. Why do some men in Canada want to get all the land? If their desire to get that is not clear evidence that fascism is already rather firmly established in this

country, that they simply want to get the titles and deeds to make it that much more effective, will someone explain it?

I read further:

It is true that the government is spending a substantial sum of money annually for bonuses to farmers, but these bonuses do not begin to make up the difference between current prices and parity prices such as are now being paid to the farmers of the United States.

I think those are all the excerpts from that publication that I need to read in order to establish my point, namely, that the minister administering the present financial system is simply not encouraging the people of Canada to produce to the maximum the food which may be the determining factor in the prosecution of this war.

May I now read one quotation which comes not from farmers but from a source which certain hon. members will perhaps accept as being more dependable. This is from the Canadian Bank of Commerce monthly letter for February, 1943:

Our index of farm revenue rose to 88.8 (1926—100) the highest level since 1930, compared with 83.6 for the preceding twelve months. The rise was due mainly to greatly increased returns from live stock and milk, which more than offset smaller sales of wheat. Farm costs however rose from 89.5 to 98.5 owing chiefly to higher wages, with the result that farm purchasing power (revenue divided by costs) fell from 93.4 to 90.1.

It seems a reasonable conclusion, however, that some improvement occurred in the last quarter of 1942.

The writer did not take pains to elaborate. Could one have more convincing testimony to the impoverished condition which generally prevails in agriculture in this country?

As an illustration of the kind of thing which these men have evidently been using in making their computations may I read from the latest Searle Grain Company letter of March 3, 1943:

The Searle index of the cost of things farmers buy (147 items) now stands at 153.7 (1913-14 equals 100). This means that these same things cost farmers of the west at the present time 53.7 per cent more than did similar items of the same quality in 1913-14. (These costs have risen 17.3 per cent since August, 1939.) The price of wheat is now 5.5 per cent higher than it was in 1913-14. The purchasing power of a bushel of wheat is now, therefore, only 68.6 per cent of what it was in 1913-14.

Why do conditions like that exist? Because there is a faulty financial system in this country. If the financial system is unable to remedy that defect the financial system is due for a change, long overdue. The dominion government must discover and introduce a financial and economic system which will