

of the lakes in the terminal elevators for one-forty-fifth of a cent a bushel a day, whereas the charge made by our board of grain commissioners is one-thirtieth of a cent; that is the usual charge.

One question more I would ask: If we close the grain exchange, what are we going to do with our coarse grains, our oats, barley, flax, rye? Do we want the board to take them over too and set a price? If we do, there might be some way of handling these coarse grains, but if we do not do that, we must have the grain exchange open in order to handle them. At the present time, the price of wheat being below seventy cents, if we can get storage facilities at our terminal elevators at the head of the lakes at a reasonable price the grain exchange may be of little use. But the grain exchange has been playing a very important part, whether we like it or not. Without the grain exchange it would have been impossible to sell our wheat to advantage in past years. Every elevator company would have had to gamble in futures and carry the gamble themselves, and the spread between the spot price and the street price would be much greater than it is to-day.

One other question brought up is with regard to an interim payment. It is all right to pass legislation providing for an interim payment if and when the money is available, but at the present price it does not look as if there will be any money available. It will be a good gesture, that is all; it will not be of any value to anyone. It does not look as if there will be any interim payment unless we get a better price than we are getting now.

I come next to the important feature, the set price of 70 cents at Fort William. I do not believe in this 70 cents Fort William myself; I do not think it is high enough. I do not believe the price of wheat could be too high to suit me; I am a farmer and I want the price of wheat to be as high as possible. But it is unfair to have the price set at a certain figure at Fort William and Montreal. Because a man happens to live close to Fort William or Montreal he gets a better price than the man out in the country. If the government are going to act as Santa Claus and give the farmer 70 cents a bushel, which is more than he can get in the markets of the world, let them treat all the farmers alike. Why give the man who lives near Montreal 70 cents and the man down beside lake Erie 55 cents?

Mr. GOLDING: And that is true of more than wheat.

Mr. DONNELLY: Yes, but I am referring particularly to the price set by the government. Why not pool all the freight charges and pay every farmer across the country the same, whether it be 60 cents, 65 cents, whatever the government decides on? Let it be the same to every farmer.

Mr. MACDONALD (Brantford City): Let the government take over the whole wheat crop and every other crop.

Mr. DONNELLY: I am living in Saskatchewan on the dividing line. We set the price at 70 cents in Vancouver or Fort William. But on account of the war all the wheat from Alberta has been going to Fort William; they have been hauling wheat from Calgary to Fort William at a lower price than from Saskatchewan. That is not fair play, that is not treating all alike. The people in Saskatchewan are penalized; they are paying the highest freight rate on wheat of any part of Canada.

Mr. REID: Except British Columbia.

Mr. DONNELLY: No; British Columbia is near Vancouver, and they get the freight rate to Vancouver or Fort William, whichever is cheaper. We in the western part of Saskatchewan are on the dividing line; we pay the highest freight of any part of Canada. Why should we be penalized in that way just because we happen to live there?

An hon. MEMBER: Who sets the freight rate?

Mr. DONNELLY: That has nothing to do with the matter. The wheat has to be hauled to either Fort William or Vancouver, and on account of the war it is all sent to Fort William, but the man in Alberta only pays the rate to Vancouver.

Mr. REID: The same rate for over twice the distance.

Mr. DONNELLY: I say the price should be the same at every initial point; every farmer should get the same, whatever price the government decides on. Pool the freight and pay all farmers the same, whether at Georgian bay in Ontario or down at lake Erie, or wherever it be. This is only reasonable and right. There is no reason why a man should be penalized and not get as much from the government because he lives several hundred miles from Fort William or Vancouver.

Another matter is the processing tax. Some nine or ten years ago I advocated in this house that the government put on a processing tax the same as was used in Australia at