

The Address—Mr. Johnston

and Commerce (Mr. Howe), and doubly assured by the Minister of Agriculture (Mr. Gardiner), that the money being paid out was cash in hand, but the fact of the matter is that when the wheat board report was made available to us we found that such was not the case. I should like to refer to page 18 of the report of the Canadian wheat board for the crop year 1948-49 under the heading "bank loans," where it reads as follows:

In accordance with the provisions of order in council P.C. 919 of February 24, 1949, the initial price paid to producers was increased from \$1.55 to \$1.75 per bushel—

May I point out again that that is the payment we were talking about, and not the one that the Minister of Agriculture tried to drag in as a red herring. The report goes on to read:

—basis No. 1 northern wheat in store Fort William/Port Arthur, or Vancouver. This increase became effective on April 1, 1949, and under terms of the same order the board was directed—

Against the board's better judgment they were directed to pay in accordance with the policy of the government, and therefore when anyone says that the wheat board was being used as a political agent to further the interests of a political party he is absolutely correct. The report continues:

This increase became effective on April 1, 1949, and under terms of the same order the board was directed to pay to producers the sum of 20 cents per bushel in respect of deliveries by producers to the board on the 1945-49 pool account for the period from August 1, 1945, to March 31, 1949.

Therefore there is no misunderstanding about it. We were not referring to any other payment at all. The report goes on to say:

This payment involved a cash distribution by the board of \$213,445,541.88 which was commenced on April 1, 1949.

That was about two or three months before the election. I continue:

To meet this and other cash commitments, the board as at March 31, 1949, had funds on deposit with the chartered banks totalling \$25,051,551.87 and investments in Dominion of Canada $\frac{3}{4}$ per cent treasury notes in the amount of \$40 million. The funds provided from the foregoing sources, together with funds received from daily operations of the board, permitted the board to meet its cash commitments from April 1, 1949, to June 8, 1949. On this latter date board funds became exhausted and on June 9, 1949, the board commenced to borrow its daily cash requirements from the chartered banks at the established interest rate of 3 per cent per annum compounded monthly.

Note that, Mr. Speaker: three per cent compounded every thirty days. That is not a bad profit when you consider that the board was receiving five-eighths of one per cent for their money. No wonder the Liberals have lots of campaign funds. There

cannot be any doubt about it, Mr. Speaker, that the reason people voted Liberal in the 1949 election was that they were bought by the farmers' own money. That pool payment was made for one specific purpose, to fool the farmers, and I must congratulate the Liberal party because they did fool them. To the sorrow of the farmers they are finding out now that because they received that payment in the manner in which it was paid it is going to cost them millions of dollars in interest charges. Not only must they take a drop in the price of agricultural products at this time but they must also pay through the nose for having a Liberal government elected on that occasion.

Mr. Boucher: Your remarks are an insult to the farmers of Canada.

Mr. Johnston: My remarks are based on facts. If you had been listening you would know that I quoted from *Hansard*, and they were not my words. You would also have known that every party in the house, including your own, was of the same impression as I was.

Mr. Boucher: I say your remarks are an insult to the intelligence of the farmers of Canada.

Mr. Johnston: Some people just do not know when they are insulted so I will not comment any further.

I want to say a few words to the Minister of Resources and Development (Mr. Winters). I do not do so in a critical manner because I think in the time allotted to him he has done a fairly good job. He has made some worthwhile improvements in the National Housing Act, and I want to congratulate him on that. He has taken some good steps, belatedly it is true, as to a highway across Canada. I am not going to discuss the route of the highway because that has been talked about on many occasions. I spoke about it last year. I said at that time I thought the judgment of the minister was good in allowing the provinces to make the decision as to the route. I was sure that the decision the province of Alberta would make would be a satisfactory one. They have decided that it should go through the city of Calgary, and I think their judgment was good.

When I was speaking on this matter before, I suggested to the Minister of Resources and Development that in my judgment provision should be made to construct a four-lane highway. I pointed out that as time went on traffic would increase, and in certain localities it would be necessary to build a four-lane highway to accommodate the tourist and freight traffic wanting to travel over it. He