

to-night. Will an advisory committee be appointed? Give us an explanation why the action was taken yesterday which was taken.

Under war conditions there should be full government control. If I had the time I could show, by quotations from the evidence presented to the Turgeon commission, that in an emergency or a crisis of this kind no useful purpose is served by the existing organization, or grain exchange. Evidently, to judge by a statement broadcast by the Winnipeg grain exchange yesterday to their agents, they themselves have decided to quit business. What is the government going to do about the matter? I think we should know.

Let me say a word generally with respect to the budget. This is a war-time measure, and I do not know that I have very much criticism to make. As far as the west is concerned, it does not affect the farmer very much. There is a substantial increase in income tax, but, as we know, that will not affect him. I believe it was the general expectation in the west that there would be some increase in taxation, particularly in the sales tax. We are pleased to see that there is not, but if there had been I believe the farmers are patriotic enough to have taken it graciously, because they are willing to do their part. However, we have no complaint to make with respect to the new taxes. Certain customs changes may affect us to some extent.

The all important matter, and one with which the budget does not deal definitely enough, is the situation of internal trade at the present time. The hon. member for Danforth made the statement that, with the exception of wheat, of which only thirty per cent is consumed at home, at least ninety per cent of our primary products are absorbed by the domestic market. He dealt with the important question of developing industry. I believe that this government should turn its attention to the encouragement of industrial development in the west. If action in a businesslike fashion were taken in that direction, much could be done to relieve unemployment.

Last year, speaking on the budget debate, I made one or two suggestions which at that time were regarded as rather drastic. I proposed that we should start a beneficial circle by increasing the price of primary products in Canada. I would not hesitate to double prices. That would start a beneficial circle in the domestic market. I believe, if you double the price of hides, wool, and other agricultural products, it would mean very little to the cost of a pair of shoes or a suit of clothes, but it would increase the circula-

tion of money in our home markets and relieve unemployment. I went so far as to suggest a domestic price for wheat of \$1.20 a bushel. There was evidence—I do not have it under my hand, but I recall that I then produced it—given before a committee of this house by millers and bakers that a variation in the price of wheat from 70 cents to \$1.60 a bushel did not make more than half a cent difference in the price of a loaf of bread. Why not have a reasonable domestic price for wheat if it will not affect bread consumers any more than that? That would be something worth while.

I suggested last year, and I am going to suggest again—I believe I had the support of the hon. member for Rosthern (Mr. Tucker) in this matter—that powers should be given by amendment to the Bank of Canada Act or by some other legislation to enable the government to issue currency against the wheat that they are carrying, because to my mind wheat is almost as good as gold. Wheat does not readily deteriorate, it will keep; and when you eat it, or when you sell it, you can call in your currency. That could be done and it should be done. It would save the interest that the government is paying on the amount it has invested in the wheat.

I suggested a long range marketing policy. I will not go into that now, but I showed that there should be a parity of prices. We have been given definite promises with regard to certain measures that might be brought down this session which would materially affect western Canada. I did not see in the budget nor did I hear any reference to prices of agricultural implements. We know that this government in 1936 and 1937 carried on an investigation, and the Minister of Agriculture (Mr. Gardiner) boldly rose in his place in this house last year, in the early part of the regular session, and threatened the implement companies if prices did not go down, if they did not do so and so. Well, prices are up and we have not had any action. We should have some action in that regard, however, because the minister must have had something in mind when he made that statement.

I say, Mr. Speaker, that the farmers can no longer continue under present conditions. Their income has depreciated to a very considerable extent. We shall continue to have surpluses in primary products for a number of years. The government must not think they can regulate the prices to the farmer for his wheat or cattle or hogs or other primary products on the basis of surpluses that are in the show window, so to speak. That will only