

*Wheat Export Prices*

almost \$1,100 million has been borrowed from the Farm Credit Corporation. I believe that at present the figure stands at \$1,070 million. But the significant fact is that almost one third of that sum has been borrowed in Saskatchewan. The reason is that the people there are more desperate, as is obvious from the statistics. When the people of Saskatchewan did not give the Prime Minister the type of treatment he would have liked to have had, it was not because they are less kind than other Canadians but because they are more desperate. The Minister of Agriculture suggested that cash advances will help them. I say to him, let him come and make a few Liberal speeches in my constituency. I invite him to do so. Let him tell the farmers in my riding, who last year had dry crops and this year had frozen crops, how they can get a cash advance. What is he going to inject there? I know what he is going to inject.

We ask for the adoption of a two price system. It is too much to ask? What is all the talk about guaranteed income? Does it mean something or does it not? Is it or is it not part of the Liberal philosophy? Let the government adopt it if that is what they believe in. Let them go ahead and increase family allowances. It is the families with children that will eat the bread, so let us give them more. But do not deny assistance to those people who have been working hard. I do not think everyone realizes how much work farmers have to do. When you realize that they have borrowed to the hilt and worked their fingers to the bone, there is little enough reward. It was the Conservative government which increases the amount of available loans under the Farm Improvement Loans Act, but it was the Liberal government that increased the interest on the loans. There lies the difference. At one time the interest rate was 5 per cent. Now, when you go to a bank, you are told "I do not think I will renew your loan because you are a bad risk".

At one time the banker used to say to you, "you are a good risk. Any amount of loan you want is fine". This is not the case now. How can you sell your wheat? The credit is not there any longer. What should the government do? They should make arrangements with these banks, and this can be done, to make loans available at rates lower than they are at present. At one time the interest rate on a loan was 6 per cent, but later it went up to 12 per cent—even 15 per cent as my seat-mate has suggested. That is why there is a shortage of money in the west. No one can tell me that farmers do not need the money,

but the fact is that the banks have slowed down the granting of credit. These people will not add to the inflation any spiral. They are simply trying to regain credit facilities. They are trying to repay their notes at the bank so they may establish credit with which to carry on. As has been suggested, they will carry on because there is no more enterprising individual than the farmer.

● (9:30 p.m.)

**Some hon. Members:** Hear, hear.

**Mr. Korchinski:** The government makes no effort to solve the problem, despite the banks' earnings being at the highest level on record. I put those figures on record about six months ago and shall not repeat them now because my time is limited. The fact is that the banks have made a great deal of money from the farmer, because he is a continuing borrower. The government must realize that when the farmer goes to the bank, this kind of arrangement is made. What is regional development all about, if it is not to help those areas which are in need? If this is the kind of development we need, the government must institute a program to implement it.

I do not know what I have to do or say to convince the government of the seriousness of the problem. If it is necessary to get down on my hands and knees to do so, I will do it. Does the government realize how many farmers are broke? They are not able to buy groceries. The grocer who allowed them an advance for a month or two is no longer extending this privilege. The situation is extremely serious.

The government says that in three or four months time it will give the farmer a cash advance. I will arrange for the Minister of Agriculture to visit my constituency and explain the government's stand to my people, because an explanation is vitally necessary. I have tried to explain these things to my constituents. I ask the minister to persuade the government to do something to solve this problem and upgrade its image in the west.

The Secretary of State for External Affairs (Mr. Sharp) visited my area and knows the type of people I represent. They welcomed him. They spoke kindly of him and to him. Would he please appeal to the Prime Minister, on behalf of these people, to do something to solve the problem? We do not have surpluses. My area developed after the 1930's. There are in Canada depressed areas in provinces other than Quebec. My people cannot