

Mr. M. J. COLDWELL (Rosetown-Biggar): Mr. Speaker, the bills standing in the names of the Minister of Agriculture (Mr. Gardiner) and the Minister of Trade and Commerce (Mr. Euler) are predicated upon an initial price of 70 cents a bushel being paid for No. 1 northern at Fort William and a limitation of 5,000 bushels which may be delivered to the wheat board by a producer. Based on the experience of this year, this will mean that the average initial price received on a Saskatchewan farm will be about 47 cents a bushel. If such should be the case, in my opinion it will spell ruin for the western farmer. As I said in an earlier debate, in view of the world situation, with the tremendous carry-over that seems in sight by the end of next July, in my opinion the initial price will in all probability be the maximum price.

Yesterday, and to some extent this afternoon, the minister argued that wheat can be produced under certain circumstances at from thirty to forty cents a bushel, with a crop of twenty bushels to the acre, and with certain mechanized equipment. Professor Hope has been quoted in support of that statement. I have before me the report of the conference on markets for western farm products and I find in it something to which attention has not been directed in this house as an opinion of Professor Hope. At page 236 Mr. Brockington, the chairman of the broadcasting corporation, said:

In view of that—

That is, all that went before:

—may I say this: If the farmer of western Canada is not to be allowed to subside into a condition of living and of livelihood less comfortable, less secure, less worthy of him and not to maintain the position that as a good and useful citizen he ought to occupy, the wheat price should be more than 80 cents.

And Professor Hope's reply was in three words: "That is right."

Mr. GARDINER: That has no relationship to the statement I made.

Mr. COLDWELL: Oh, yes. The statement we have been discussing is whether this price—should it be both the maximum price and the initial price—is sufficient to enable the average farmer to continue to operate his industry as a wheat grower. It is true, as I said before, that Professor Hope did say that on the superior soil areas, which, according to the soil survey of Saskatchewan, amounts to approximately seven per cent of the land, on a two-section power farm, equipped with tractor, truck and combine, a bushel of wheat could be produced for 34 cents.

Mr. GARDINER: That is the whole operating cost apart from the debt?

Mr. COLDWELL: Yes, apart from debt. But no business operating anywhere in Canada would compute its costs of production without including interest on capital, depreciation, and all the other items which have to be covered in the price of the product of that particular industry.

Mr. GARDINER: I take no exception to the statement the hon. member is now making. The only thing I take exception to is hon. members opposite attempting to prove that because I said that a man could put his wheat into the ground and harvest it at a certain cost, therefore that covers all his costs.

Mr. COLDWELL: I followed the minister very carefully on April 5, and as he may recall, I interjected a question. At page 2623 of *Hansard* the hon. member for Bow River (Mr. Johnston) asked the minister a question, and the minister replied as the following will indicate:

Mr. Johnston (Bow River): What is the basis of that estimate of from thirty to forty cents a bushel as the cost of production?

Mr. Gardiner: Estimates have been made by authorities in Saskatchewan university, and there are also the figures submitted by the Saskatchewan government to the Rowell commission.

Then I interjected:

Mr. Coldwell: Professor Hope gives quite a different set-up.

Mr. Gardiner: He gives a set-up based on the cost of the wheat itself, but it amounts approximately to this. By adding debt costs and other items he arrives at another figure.

Then I asked:

Mr. Coldwell: But are not those legitimate costs?

And the minister replied:

Mr. Gardiner: Not in estimating the cost of producing wheat.

My contention is that in estimating the cost of producing anything at all, you must add all the legitimate costs of producing that article, and I do not think that the farmer should, in his industry, be expected to operate on a basis different from that of every other well-conducted industry.

Mr. GARDINER: Just to clear the point up, I would ask the hon. member for Rosetown-Biggar to read the next sentence, where I said:

A crop of twenty or more bushels to the acre, with a reasonable price—I say a reasonable price, not the price that sometimes prevails—would therefore give a profit to the average farmer.