

If they can carry on their cultural practices which will indicate what should be done in a crisis such as this; if they can demonstrate the kinds of grasses that can be raised within that area, the way in which trees should be planted to stop drifting, methods by which streams may be dammed and the spring freshets held, that in itself would be a tremendous help. All these schemes are useful; nothing should be disregarded. The difficulty with experts is that they see only their own part of the picture. For instance, the engineer sees only the dam; he has no idea of the usefulness of trees. The tree expert is just as narrow with his view. All these are useful; the only thing is the government should make all speed in getting to the work.

What benefit does the farmer receive from the Ottawa agreements? I would point particularly to the cattle restrictions which for thirty-seven years prevented cattle being sent from Canada to the old country. These have been removed. In 1930 we shipped no cattle to the United Kingdom; in 1934 we shipped 53,863 head.

But particularly have the Ottawa agreements helped those in Canada who produce hogs. The Canadian production of hogs is in round figures 6,000,000. Immediately following the Ottawa agreements, due to the preferences given in the British market, the price was increased by two and a half cents a pound. Figuring that out on the basis of a hog weighing two hundred pounds, you will find that the producers of hogs received an additional income of \$30,000,000. The next year the price was increased to eight cents, so that they received that year on the basis of 6,000,000 hogs an additional amount of \$48,000,000 as a result of the Ottawa agreements. Since that time the price has further increased and is now around eight and a half cents.

I would further point out that by reason of the tariff imposed on corn coming into this country, for the imposition of which I take some credit, the market price has been increased. The duty was imposed on June 2, 1932. The total imports for the year ending March 31, 1931, were 9,500,000 bushels; in 1934 they were down to 5,200,000 bushels. There are those who say: That is all very well, but we have increased our imports from South Africa. But that is quite untrue. From South Africa in 1931 we imported 1,117,000 bushels, and in 1934 that figure had been reduced to 198,000 bushels. That has had the result of giving the market to the producers of barley in this country; it in-

creased the price and decreased the carry-over.

Then to those who have to borrow money—and we all have to borrow from time to time—I draw attention to the fact that interest rates have been reduced by this government. Savings bank interest has been reduced to two per cent, the result is that the ordinary depositor will not now leave his money in the bank at two per cent but will seek other avenues for investment, with the result that more money is spent. In addition, it has had the general effect of reducing interest on all debts. Interest rates have also been reduced by this government by the refunding operations that have been carried on, as a result of which taxpayers in Canada are paying in interest \$14,600,000 per year less than when this government came into power. Those who deal with the banks now have the satisfaction of knowing that the bankers cannot charge more than seven per cent, where formerly eight per cent was a common rate, and by subterfuge the banks were able to evade the legal restriction. Owing to the penalties now imposed that can no longer be done.

Before this session ends we shall have legislation relating to matters dealt with by the price spreads and mass buying commission. I do not desire to discuss it now, as the commission has not yet reported, but in my opinion it was the greatest weapon that has ever been fashioned in this country against the concentration of wealth in the hands of the few.

Speaking again with particular regard to the farmer I would mention the central bank, because whether people know it or not it will have a tremendous effect on the credit of this country. One important function of the central bank is that of controlling and regulating credit. Another function is to advise governments in regard to their financial policies.

In regard to the control of credit I point out that the bank has unlimited resources, and its actions are necessarily dependent upon that fact. In boom times the bank has the necessary machinery to control the boom. The governor of the bank would go to the general managers of the chartered banks and say: I think you are lending too much money for purposes of gambling. If the general managers said to the governor: Well, would you mind going and running your little bank and we will run ours—then the governor of the bank would say: Very well; I used to work for you gentlemen, but now we will refuse to do your discounting and by that we will freeze up credit in your