

board as a temporary measure and have sought every opportunity either to make it inoperative or to abolish it altogether. As originally conceived, the wheat board was not designed to be a temporary measure but was intended to function as a permanent contribution to the orderly marketing of wheat. Last night the Minister of Agriculture said that originally the board had been looked upon as an emergency measure, and that proof was to be found in the debates. This morning I scanned the entire debate that took place in 1935 on the introduction of the wheat board act. I find no foundation in fact for such a statement, except that the Liberals were the only people who looked upon it as an emergency measure. As a matter of fact it was one of the chief objections raised by Colonel Ralston, the opposition critic, to the wheat board act, that it was not to be merely a temporary and emergency measure. At page 4231 of *Hansard* of 1935, he said:

I for one feel, and I so expressed myself in the committee, that we ought to deal with the situation as an emergent situation and should not tie anyone down forever to a permanent policy with regard to Canadian wheat. This bill on the face of it and without some reservation of some kind indicates that the Canadian government is going into the wheat business unless another parliament takes positive action to repeal the act.

Section 14 of the wheat board act provides that by order in council the cabinet may extend the operation of the act so as to deal in coarse grains. Instead of being merely a temporary measure the act envisaged the time when it would broaden the scope of its operations. The bill which passed the house yesterday, Bill No. 82, to encourage the cooperative marketing of wheat, plainly indicated to me that at the earliest possible opportunity the government proposes to dispense with the wheat board and to resort to a system of pools and associations which will result in an economic tower of Babel. So I say that to the first plank in the government wheat policy, the departure from the wheat board as a permanent measure in the marketing of wheat, I am totally opposed. So far I have not heard from any minister any good and sufficient reason why the wheat board should not be retained and why it could not do great service to the people of western Canada. Granted that there are inequalities, they could be much more easily eliminated than by destroying the whole thing. What the government propose to do is to throw out the baby with the bath water. It would be better to try to remove the inequalities that are to be found in the situation.

Turning now to the second aspect of the government's wheat policy, the guaranteed minimum price of 70 cents, I suppose the country ought to be grateful at least for the increase from 60 to 70 cents, although I do not know that any congratulations are in order in view of the fact that the change was made under pressure from thousands of people in western Canada making it clear that to retain the price of 60 cents would mean political suicide for the government. I only regret that when they were raising it the government did not go all the way and raise it to 80 cents, which is the very minimum to maintain any measure of security for the western farmer. However much the Minister of Agriculture may keep on talking about operating costs as compared with production costs, the fact of the matter is that in respect of people in other parts of Canada who are not familiar with the differentiation in terms he did a great disservice to the people of western Canada in talking about growing wheat at 30 to 40 cents a bushel.

Mr. GARDINER: It was not I, it was the people who misrepresented what I said who did the disservice.

Mr. DOUGLAS (Weyburn): Well, I must confess that until the minister made his explanation this afternoon I think most of those who listened to him, certainly we in this corner, understood that he was talking about production costs.

Mr. GARDINER: There is no reason for that statement, because my hon. friend's desk-mate asked me the direct question at the time, and I answered it.

Mr. DOUGLAS (Weyburn): Yes, he asked the minister if it included debt costs. But there are other costs, capital costs, costs of depreciation of machinery—

Mr. McLEAN (Melfort): That is all provided for in Professor Hope's statement.

Mr. DOUGLAS (Weyburn): But Professor Hope's statement, as I pointed out the other day, was dealing with two-section mechanized farms, which represent only one per cent of the farms of the west. And even on these farms the very cheapest cost was 51 cents a bushel to produce wheat and meet those charges. On the same page he said that for the half-section farm north of Weyburn the cost plus interest on estimated debt is 91 cents a bushel.

Mr. McLEAN (Melfort): That is on the poor land.

Mr. DOUGLAS (Weyburn): No, certainly not.