

minimum the west can accept even in this emergency. Anything else, even if accompanied by a crop failure bill, will be ruinous to the wheat industry of western Canada.

Some of the western papers are stating that the 70 cent price represents a compromise. A compromise between whom? Having watched the various conferences that have been called to discuss and deal with this situation, I came to the conclusion that a compromise had been reached at 80 cents. Most of the farmers were asking from 90 cents to \$1.15 as an adequate guaranteed price. When the price of 80 cents was suggested, it was considered the lowest price upon which the industry could operate. May I remark also, as I did on Saturday, that it is entirely wrong to believe that the farmer has no right to figure the interest on his investment and on his debt, the depreciation on his machinery and so on, as legitimate costs of production.

Mr. GARDINER: I am sure my hon. friend does not want to misquote me. I did not say he had no right to charge interest as a part of his cost of production.

Mr. COLDWELL: I did not quote the minister to that effect. If I did, I am glad to be corrected. What I meant was this: When the minister referred to 30 to 40 cents as being the cost of putting in and taking off the crop and went on to say what he did, he gave the impression to this house that wheat can be produced for 30 to 40 cents per bushel. He objected to figuring in the debt, and I contend that if we are going to consider the cost of production in this house in relation to these bills, we ought to include depreciation, return on capital invested, and such other legitimate costs as any normal business would include. If that were done I submit that it would be only right to say—

Mr. GARDINER: If the hon. member is going to figure all that into the cost, then he should include all returns from the farm, not only the return from wheat.

Mr. COLDWELL: That is exactly what I did earlier this afternoon. I referred to bulletin No. 64, as the minister will remember. Professor Hope gave the return that might be expected from other products on a half-section farm in the average prairie district as some \$119. In the other areas mentioned it was slightly less than \$100. I was thinking of that all the way through. While \$100 or \$120 is an important matter to a farmer under these conditions, it would not affect very materially the position we are taking. I say that no other business would be expected to compute its

[Mr. Coldwell.]

costs of production upon that basis. Certainly not the implement companies, which were investigated by this house a couple of years ago; certainly not the Canadian National Railways; certainly not the Bank of Canada, whose governor we have been examining lately; certainly not Sir Herbert Holt or Sir Charles Gordon of the textile industry, and certainly not any other industry in Canada.

The minister said that the Saskatchewan government brief to the Rowell commission would prove his statement that wheat could be produced upon the basis he represented—I shall put it that way—of from 30 to 40 cents per bushel. The minister has the brief before him, and he will find on page 177 that Doctor Mackintosh bases his estimate on the bulletins of the farm management department of the university of Saskatchewan. He stated that for the period 1921 to 1930 the cash cost of growing wheat in Saskatchewan, for an average yield of 16.7 bushels, was not far from \$9.81. Doctor Mackintosh was quoted the other day by the minister.

Mr. GARDINER: Read the next sentence.

Mr. STEVENS: \$9.81 for what?

Mr. COLDWELL: \$9.81 per acre. I may say that this period referred to was the period of highest production in Saskatchewan history. On this basis, the average cost per bushel on all farms in the province works out at about 58.7 cents. Where is the justification for the other statement? Where can the government find justification for that?

Mr. GARDINER: The justification is in the next sentence and in the second paragraph on the next page.

Mr. COLDWELL: Will the minister read that?

Mr. GARDINER: The next sentence reads:

In 1933, Dr. William Allen, after intensive surveys in many areas, estimated that \$6.80 per acre was necessary to clear minimum expenses without interest on debt.

That is the exact figure I quoted.

Mr. COLDWELL: Without interest on debt.

Mr. GARDINER: That is exactly what I stated.

Mr. COLDWELL: Should one suggest that in western Canada the farmer must go into wholesale repudiation of his debts?

Mr. GARDINER: We were not discussing that.