## APPENDIX No. 3

Q. Do you think that that system worked out very well for that district? —A. Yes.

Q. It is hardly fair for you to bring before this Committee the idea that to all intents and purposes if all the farmers followed that system they would be prosperous.—A. I have not made any such statement. The statement is there. I will stand by this statement, that as a result of our investigation, which we think was quite thorough, I again repeat this statement, that in our judgment 75 per cent of the financial struggles of the western farmer are due to lack of following sound economics and a sound system of farming during the past five years. That applies fairly generally to the west all through.

## By Mr. Gardiner:

Q. My experiences are somewhat different from that, because I happened two years ago to be in Northern Saskatchewan, where they raise good crops all the time, and the cost of raising these crops, notwithstanding they were large crops, was larger than the amount they received for the crop. I will give you an instance I know of, well, where a man averaged 33 bushels to the acre, and after he had sold his crop—this was after the deflation of prices took place—he found he had not made enough money out of the crop to pay his expenses for that year.—A. That was the crop of 1921?

Q. That was the crop of the fall of 1921 and also 1922. There was a good crop, but in 1921, of course, as we all know, there was a peculiar condition, over which the farmer had no control; everybody knew the cost of raising a crop in 1921 was the highest the west ever experienced and things went on the tobobban slide.—A. Those are temporary conditions.

Q. In your remarks, you, to all intents and purposes laid 75 per cent to the fault of the farmer. The financial position of the western farmer to-day is not confined to his experience in 1921, because the cost of the crop in 1921 was higher.—A. This thing goes back over many years, and he laid the foundation for the new financial difficulty, not in 1921, but in 1917-18-19-20 and '21, and he piled up liabilities and he is now reaping the results of the accumulative effects at the present time, of what has taken five or six years to produce. It is not the result of the 1921 crop, far from it.

Q. We understand certain parts of the west did not turn out very good crops, but I will not admit that when they had not a reasonably fair crop in the west, it was due to the farmer not looking after his business in a proper way.—A. I have made my statement. I have the opinion of a man like Mr. C. W. Williams, an outstanding farmer in Saskatchewan, who pictured in graphic terms to his tenants what has brought all this about.

Q. We can understand a man who is letting his land out, telling his tenants to work harder, because if they get a share of the crop, the greater the share is for the landlord.—A. There is no doubt of that, but there is no disguising the fact that I cannot get away from this, and I want to adhere to it. I want to make another statement, that before the west can hope to come back to a sound financial basis, the first thing and the most important thing is to get down to a proper economic basis, and they are getting down. I know the west to-day is down to a sounder economic basis than in my judgment the west has ever been.

## By Mr. Sales:

Q. What do you mean by an economic basis? We would like to know what you mean by it.—A. I mean by that that the average western farmer went in as a wheat grower with the idea that there was nothing for him to do [Mr. Charles M. Bowman,]