

*Supply—Agriculture*

I should like to see our government continue the acreage bonus payments. I think this has been one of the fairest applications of government help for the purpose of meeting the cost-price squeeze that we know exists in the farming industry. It has been greatly appreciated by the farmers in my riding. There may have to be some modifications as to the administration of it so that any particular discrepancies we find now existing could be removed. But in lieu of a straight domestic two-price system which I have advocated on a previous occasion, I think this is a very effective piece of legislation and that it should be continued.

There is one other problem that affects my particular area of Saskatchewan. It has been referred to by others and I have referred to it myself previously. I have reference to the invasion of the boundary areas of Canada by United States farmers from the Dakotas and Montana. I am personally at a loss to know what is the answer to this particular problem. I think it will bear study by several departments—possibly the Department of National Revenue, the Department of Citizenship and Immigration and the Department of Agriculture—in order to see what steps may be taken to make sure that these people coming into Canada would take a more serious part in the economy of the particular areas into which they come. We find that this invasion by United States' farmers has been the result of the agricultural policy in the United States of subsidizing the farmers there through the soil bank, taking large areas out of wheat production and putting them into grass. We find that these farmers in the Dakotas and in Montana, being good farmers and having large amounts invested in machinery, hate to see it lying around idle. Immediately they look for some area where they can put their machinery, ingenuity and so on to work again and get back into agriculture. They therefore migrate across into Canada and either lease or purchase land. In most cases they lease it because they feel that their own agricultural policy at home may be only temporary. They lease large amounts of Canadian farm land that some of our own Saskatchewan and Canadian farmers themselves would be greatly interested in either buying or leasing. In other words, with the capital they have available from the soil bank they are providing fairly strong competition. In some cases it is increasing the value of the land. In a few cases the Canadian farmers feel that it is making it almost prohibitive for them to compete.

The situation has a few other interesting aspects. One is that in many cases the

[Mr. Southam.]

Americans who are coming over here are producing registered seed and are taking it back across the line with them to sell. This is something which does not aggravate the over-all wheat surplus particularly. In other cases municipal authorities, where some of this marginal area land has been put back into production, find that their tax revenues are up. But by and large quite an opposition is being developed on the part of our Canadian farmers. In order to stay in the agricultural industry those farmers who want to fit into this agrarian change to the larger economic unit especially those who have sons, feel that they should have access to this Canadian farm land rather than that it should be taken by groups coming in from the south.

As I say, I am not just too sure what the answer is to the problem, but I think several departments of government could give it very serious consideration. If our American friends should come in—and we naturally call them our American friends because we work with them on a very friendly basis apart from this matter—I personally feel that they should be encouraged possibly to come in here as landed immigrants and become permanent residents if they are going to take over this land in competition with our Canadian farmers.

In my closing remarks I should just like to say this with regard to wheat quotas. I have watched them fairly closely in our part of Saskatchewan. It happens that geographically we are about equidistant from the port of Churchill, the Pacific coast and the great lakes. When there is a demand for a certain type of grain from European countries I find that the wheat board themselves, in order to meet this demand quickly, have reached out and have drawn the grain from the closest areas adjacent to some of these ports. As a result there has been a big rectangular area, which includes my riding and some areas to the north and west, that has not had its fair share of the quota allocations. I should just like to mention this matter again. It is, of course, a matter of wheat board supervision of quotas. However, I think it is something that should be watched very closely.

We find that our farm population are very jealous with regard to their rights to equal distribution of these quotas, and rightfully so. As you know, Mr. Chairman, we get a quota of only up to about six bushels or seven bushels annually. In many cases, this does not take a great deal of the grain out of the area. As a result, in order to meet the demand of the agricultural economy now, our population in these areas wish to see that these quotas are watched closely.