

do not think there is any doubt of our decision as to which would be the more useful or the greater economic asset. The day may not be far distant when the gold held by that great republic to the south will be a drug on the market. But any country which faces as we do in the years to come a great period of economic dislocation, and which has huge quantities of a commodity as imperishable as wheat, has a great asset indeed. With its nationalized central bank, Canada can well afford to take delivery of that wheat, to issue currency and credit against it, and to give to our people a reasonable price for the product they are growing.

Before I take my seat I cannot do better than quote a short statement which has been put out by the Alberta wheat pool in a little booklet entitled "The Story of Wheat." At page 40 the whole situation is summed up in a manner much better than I could do it. These are the words:

There is an increasing conviction among farmers and farm leaders that Canadian farm policies are antiquated and that a new governmental outlook is necessary to solve the problem of agriculture. That problem lies in the fact that, while more than three million of the population live on farms, agriculture receives less than 10 per cent of the national income, and its share has rapidly declined during the past ten years. The major problems of the Canadian economy as they revealed themselves in the past decade must be approached through a restoration of agricultural income and a marked expansion in terms of the national income.

Besides the three million Canadians living on farms there are another two million living in rural areas, whose livelihood depends almost directly on agriculture. Thus, when agriculture's existence is imperiled by low prices, five million Canadians suffer jointly. When that number of people lack sufficient buying power to purchase manufactured goods produced in towns and cities, is it any wonder that unemployment has been rife in industrial areas, the normal interchange of goods between town and country becomes impossible and the farm price level breaks down?

Canada's first duty is to find a means of securing a "living wage" to those engaged in the natural industries, of which farming is the foremost, to cultivate and safeguard their buying power in order that they may become a great and growing market for the production of the secondary industries of the nation.

Farmers do not want the wages and living standards of the people in the cities to be cut down. They prefer to see urban populations with plenty of money to spend. But farmers do want their own living standards raised, and that can only be brought about by the maintenance of prices of farm products. A way must be found to raise farm prices to equitable levels balanced against the fixed charges of labour, of services and of industry.

The farmer has learned to produce abundantly. One hundred years ago it took the efforts of 90 per cent of the population, busily employed on farms, to feed and clothe the nation. To-day 25 per cent of that population can easily do

the job. The farming population will never be satisfied to have its productivity used as a club to beat down prices to penurious levels. Ways and means must be found to protect the price level of farm products if the nation is to escape persistent depression periods.

Mr. ROBERT FAIR (Battle River): Mr. Speaker, I am glad to have an opportunity at last to say something about wheat. Like most of the farmers in the west I do not feel quite happy if I cannot say something about that crop. On several occasions since we came here on May 16 I have asked the Minister of Trade and Commerce (Mr. MacKinnon) what the government intended to do about an interim payment on the 1939 wheat crop. When I first made this inquiry I gave as my reason for doing so a statement which had been made by the Minister of Agriculture (Mr. Gardiner) when speaking at Wilkie on March 21. That was just five days prior to the dominion election. In order that there may be no mistake about this, I should like to quote the report which appeared in the Edmonton *Bulletin* of March 21, 1940. Under the heading, "Liberals will give interim crop advance," it states:

Wilkie, Sask., March 21—Hon. J. G. Gardiner, federal Minister of Agriculture, promised amending legislation to provide for a ten or twelve cent interim payment on the current year's wheat crop when he addressed a public meeting here yesterday.

Mr. GARDINER: Read the next sentence.

Mr. FAIR: It reads:

If the Liberal administration was returned to power March 26, dominion election day, present wheat legislation would be changed so that a payment might be made as soon as possible, he said.

It is amusing and confusing that the Minister of Agriculture made no attempt to correct that statement until after March 26.

Mr. GARDINER: That is absolutely incorrect. The Canadian Press rang me up the next morning to ask me if that statement was correct, and I said it was not.

Mr. FAIR: I was watching the papers quite closely because I expected something along this line to happen. I certainly was not disappointed. It is also amusing and confusing to find that this statement was used by several Liberal candidates in Alberta. That story was not contradicted until the election was over.

Mr. GARDINER: It was used by many Social Credit candidates.

Mr. FAIR: Public opinion has demanded that something be done by the government with regard to the wheat policy, so the government have finally caught up with