

Grain

crops were completely frozen. Many of them had to burn them this spring in order to put in this year's crop. Now they find this year's crop in that area, or at least 70 per cent of it, under the snow. With a heavy crop lying there flat on the ground, their chances of salvaging it in the spring are small indeed. I have letter after letter from that area indicating that it would be doubtful whether the grain which is not swathed can be harvested in the spring. From practical experience I know that where you have a heavy crop of grain and it is lying flat on the ground, when spring comes and you go in with a combine to try to pick it up it pushes ahead of the combine, and there is nothing you can do with it. I have had to burn crops because of that situation, and I know that condition exists there.

These people have lost two crops, yet under this act the minister states that an entry will be made in the delivery book. They will not be able to meet the loan out of this year's crop, but they can never deliver a bushel of grain again until that loan is paid. Over the past two years they have accumulated debts to the storekeeper for living expenses, and they are in a serious position. I can assure the minister that this act is going to be of little value to them. Those cases are not just isolated instances; you will find this situation right across the whole northern part of Saskatchewan and in some areas in the province of Alberta.

I would certainly urge on the minister that, where there has been a complete crop loss this year and where nothing is salvaged out of the crop, these loans should not be repayable. I think something should be done about that matter. I also believe that something should be done in the act to state the rate of interest on these loans; because I am certain the banks are not taking any risk where they have the entry made in the delivery book of the farmer, and as to any grain that farmer delivers in the future the first charge against it is the repayment of this loan.

Many of these farmers have not even been able to pay their taxes. Yet before they can pay their municipal taxes they must repay this loan. It is not being fair to the municipalities. It is not fair to the storekeepers and pools in the area who have carried these farmers that this loan should be the first charge against any grain delivered. That is the only income these farmers have. In some cases this will be the second year they have lost their crops. In that area some payments were made under the Prairie Farm Assistance

[Mr. Wright.]

Act last year. But in some cases the townships did not qualify because there was the occasional crop in the area that was extremely good and was harvested. Again this year the same condition applies. Some of the larger farms in those areas, which had combines, were able to harvest a portion of their crop; the yield was very good, and therefore disqualifies the whole township as far as P.F.A.A. payments are concerned. That is the only alternative the farmer has. The only credit he can get is through this legislation. The conditions the minister has placed in the legislation with respect to repayment are not giving a fair chance to the municipalities to whom the farmers owe taxes, or to the dealers in the areas, the storekeepers and other people who are carrying these people on their books.

Mr. Victor Quelch (Acadia): Mr. Speaker, I think this proposal, purely as a federal measure, is fairly satisfactory. Of course there will be many farmers who will not be helped very much by it. They could only be helped by outright grants. I quite realize that if anything of that kind were to be done it would have to be in a measure different from this.

The government is right in bringing down this proposal to utilize the banks rather than the wheat board or the elevator system. It would be a great mistake to try to get this done through the wheat board. I believe that board runs into enough criticism as it is without embarking on a program of helping to finance the harvesting operations of the farmers. I would say that the vast majority of the criticism of the wheat board today is unjustifiable. It is criticism that is made because the people who make it do not realize the true situation. Personally I think the wheat board has done a magnificent job. I believe a great deal of credit is due to the board for the way they handled the farmers' wheat, especially under very difficult circumstances.

In so far as the \$5 million is concerned, I have heard some hon. members say they do not think it is enough. Personally I believe it should be enough. Of course it all depends on whether or not the banks endeavour to get the farmers to take loans under this measure instead of making loans in the usual manner. If under this legislation they are going to grant loans to the farmers who would normally be obtaining loans as a matter of general banking practice, then it is quite possible that the full amount of money may be used up by farmers who do not need to borrow under this scheme. That is something we should safeguard against, and I mention it as something that I think should be watched. In so