

It may be said that since 1940 the western Canadian farmers have had good crops. That is true, and during this period they paid off a lot of debt and bought machinery to replace that which had been worn out during the depression years, when virtually none at all was purchased. But the cost of the new machinery was about three times the former prices, and when it is remembered that between 1935 and 1939 a bushel of wheat was sold for approximately a dollar, and that the present price is about \$1.90, and that articles which the farmer needs and which from 1935 to 1939 could be had for a dollar cost \$2.60 now, it will be seen that the present price of wheat should be not less than \$2.60.

**Hon. Mr. Wood:** Who will buy it?

**Hon. Mr. Aseltine:** However, we are not complaining of the price. We have the bushelage, and we are willing to sell. My purpose in mentioning these figures is to show that the price asked by the Wheat Board is not too high, that we should be getting at least that amount. Even if it were less, we have these additional bushels, and the farmers can "take it".

It is my opinion that our farmers would like to see some action similar to that which has been taken in the United States. I admit that the American policy has caused a good deal of controversy in that country. The United States government, which exercises the powers of our Wheat Board, advances money to the farmers under the parity price support fund at 90 per cent of parity—parity being \$2.44 per bushel—provided that the wheat is in approved storage and has been inspected by a government inspector and sealed up. That is what we think should be done in Canada, except that it would be unnecessary to seal up the wheat, because there is no way under the sun that a farmer could get away with his grain. He could not sell it, because to sell even a bushel of wheat it is necessary to produce his quota book. If the Wheat Board advanced 50 cents a bushel on stored wheat it would be only on condition that the grower sent in his quota book, and no wheat could be sold by him until the quota book was returned. It would be delivered to the elevator, and the elevator operator would send the board the wheat ticket when the farmer brought it in to pay for the advance he received. That would make the sealing of bins unnecessary.

I am not in favour of a bill on the lines of the legislation of a year ago. At that time, when I spoke on the subject, I supported the passing of legislation by which the farmer could go to the bank and borrow money and the government would guarantee repayment.

That system did not work out. The limit was \$1,000; but by the time the bill became law every farmer I know had marketed at least a thousand dollars' worth of wheat. In the whole of the district I come from only one loan of \$1,000 was made. I do not want anything like that to happen again. In any event, supposing the government went into the business of backing these loans, the farmer would have to pay 6 per cent on his borrowings from the bank, whereas the Wheat Board can borrow money at 3½ per cent or less.

What I advocate is that the government should advance through the Wheat Board to the farmers of Western Canada \$1 per bushel on all their wheat that is properly stored. If such an advance was made on, say, 50 per cent of the crop, conditions would be greatly improved.

I think further that the government should pay the farmers for storing this wheat on their farms. Let me tell you why. The honourable senator from Churchill (Hon. Mr. Crerar) has been in the elevator business and he knows that fifteen days after a farmer has put a load of grain in an elevator, the elevator collects storage fees until the grain is taken away and sold. At the present time our elevators are filled with wheat. The honourable senator from Thunder Bay (Hon. Mr. Paterson) owns a string of elevators, and his company is receiving payment for storing wheat and will continue to do so until the wheat is taken from the company elevators and sold. This being the case, why shouldn't the farmers who go to the expense of storing wheat on their farms be paid regular storage rates? I have never advocated this step before, but it seems to me to be a reasonable proposal. Incidentally, I have no doubt that the honourable senator from Churchill will oppose this suggestion when he takes part in the debate.

Probably honourable senators do not realize that the farmers of western Canada create a billion dollars' worth of new wealth on their farms every year. This money finds its way to Canadian retailers, wholesalers and manufacturers and affects the economy of the whole country. It is very important that some of the money that is being paid for the storage of accumulated wheat should come into the hands of the farmers, for there are no better and bigger spenders of money than farmers.

Honourable senators, when coming down on the train to Ottawa I got into a conversation on football with several people, one of whom was a retailer, another a wholesaler, and another a manufacturer. After we got through debating whether Winnipeg or