

Grain

years, our government should give consideration to the United States system. It is true, as some people would argue, that under this storage system one farmer will simply be paying another for storage through our pooling system. But that is the case today, as the cost of storage paid to the elevators is pooled through the wheat board in many cases.

I think this should be given serious consideration. I know the minister and those people who have been out west will realize that the situation is very much better in Manitoba than in Saskatchewan or Alberta. They will realize how serious it is for these people who have their grain out under the snow. Our sympathies are with them, because they are going to experience considerable hardship. They have their year's expenses to meet. This year the cost of production has been higher than for any year in the history of this country. While we shall have statistics issued showing the great national income of the farmers this year, it should be pointed out that their cost of production has been considerably higher than in any previous year. The cost of farm implements has increased in 1951 by 14 per cent over 1950. In fact there has been an increase of 81 per cent above the level of 1939. The price of fuel oil is increasing, and farm wages are much higher than ever before in the history of this country. All of these factors must be taken into consideration.

I just wanted to make these few remarks at this time. I shall have a few questions to ask when we have the bill before us, but I do request the minister and his officials to give serious study to the possibility of introducing more comprehensive legislation that will assist in the marketing of next year's crop. The departmental officials claim that because of our system of handling grain we are going to have greater difficulties than we have experienced in the past, so thought should be given to that problem.

Mr. H. R. Argue (Assiniboia): Along with other hon. members I want to say that I welcome the announcement made by the Minister of Trade and Commerce (Mr. Howe), concerning the steps the government is prepared to take to deal with the emergency situation in western Canada. As is well known, the problem has two parts. The first is the difficulty of marketing the grain the farmers were able to thresh, and the second is the difficulty the farmers had in threshing their grain. In some parts of the country large acreages are still lying under the snow. The box car situation has indeed been very difficult. At some points in western Canada,

[Mr. Ross (Souris).]

as the minister stated tonight, very little grain has been moved. I do want to say that I am pleased that the government appointed a controller. Any shortage of box cars at any particular point which has been brought to Mr. Milner's attention has been dealt with in an expeditious manner. I believe the fact that we have a controller is of material help to western farmers.

So far as I am concerned, I am not in agreement that this was the best method of handling this difficult situation. It seems to me that when any farmer goes to a bank manager to ask for credit, the bank manager must of necessity apply a means test to the farmer's application. In other words if the farmer can show the bank manager that he is a good credit risk, that he has cattle at home on the farm or that he has some grain which he has not been able to sell, the bank manager will likely grant his loan. If he is a small farmer who has been unable to harvest any of his crop, he is the type of farmer the bank manager is most likely to refuse. I believe the best method of handling this situation, which is an emergency situation, would have been to make advances through the elevator companies at the local points, with the government paying the interest and guaranteeing the wheat board against possible loss.

Every farmer in western Canada has to market his grain on his delivery quota book. I believe that farmers are basically honest, and when they have to market their grain on their own delivery quota book the elevator companies would be in the best position to collect the advance. As a matter of fact, Mr. Speaker, I believe that the premier of Saskatchewan, and I would even go so far as to say the municipal officials, the representatives of the federation of agriculture, together with the leader of the Liberal party, Mr. Walter Tucker, believed the government was going to handle this situation by advances made through the wheat board facilities. I have here a press report which appeared in the *Leader-Post* of Thursday, December 6, of a statement made by the premier of Saskatchewan to the Saskatchewan legislature. The report is as follows:

Every likelihood exists that an advance will be paid farmers for unharvested unthreshed grain on their farms, Premier T. C. Douglas told the legislature Wednesday.

Under such a system, Mr. Douglas said, a record would be kept at the elevator and the payment checked off when the grain was delivered.

A payment of this nature would be different from a loan, he said. It would be treated as an advance and there would be no interest.