

*Supply—Agriculture*

It is true, and we often hear this theme re-echoed from the other side, that the Canadian economy as a whole has enjoyed an unprecedented level of prosperity since the end of world war II, in fact since the concluding years of world war II. That was due to the obviously favourable geographic position of Canada in relation to the war-torn countries and to the backlog of consumer demand which had accumulated during world war II. It was due also to the fact that the economy of our neighbour to the south had changed radically. She had exhausted to a large extent her primary resources and had begun to call upon Canada to an increasing extent for the replacement of those primary resources. As a result Canada was drawn into an economic vortex which led to a continuing level of prosperity.

Considering the minister's remarks, there is one point that needs to be made in connection with the level of prosperity of our farm economy. I am including not only our prairie agricultural economy but the farm economy right across Canada. I am sure that Ontario farmers as well as those from the maritimes will be able to speak for themselves in this regard. The total farm economy has been placed in a position of declining prosperity as a result of the fundamental changes which have taken place in the Canadian as well as the entire North American economy.

I do not think that anyone, either by statistics or by any amount of verbosity, can demonstrate successfully that our Canadian agricultural economy is in a prosperous state at the present time. In recent days we have been discussing some particular aspects of the problems on the prairies. In particular we have been dealing with the difficulties encountered in connection with the marketing of our surplus grain. The Manitoba federation of agriculture has pointed out repeatedly in its representations to Manitoba members of parliament that there has been a severe relative decline in the net income of Manitoba farmers.

The figures have been given many times but it would seem that they need repetition. By 1954 net Canadian farm income had dropped 47 per cent compared with 1951, and in the prairie provinces the decline amounted to 67 per cent. Admittedly that is due to the fact that a large part of the wheat has not yet been marketed, and I would conclude from the remarks made by the Minister of Agriculture that in his new economic category of real income he includes total grain production, that is, grain still in the hands of the farmers as well as the grain already marketed through the wheat board in order to arrive at the figure he refers to as the real income.

If such is the case, such a calculation is completely out of touch with reality.

It has been suggested by the hon. member for Fort William that western farmers are always at the wailing wall crying over their sorry state of affairs. That again is not an accurate description of the situation, and in that regard I would emphasize particularly the position of our Manitoba farmers. We in Manitoba have gone a long way towards self-help. We have diversified more extensively, I suppose, than either of the other two prairie provinces. We have, for example, constantly decreased our total production of wheat. Last year total marketings of wheat from Manitoba sources were only 9.4 per cent of total prairie wheat marketings. Therefore it is obvious from that figure that wheat production in Manitoba is not making any substantial contribution to the growing surplus. In fact, it is hardly aggravating that particular problem in any way.

In recent years we have been moving towards the production of barley, and during the past three years Manitoba farmers have actually produced more barley than wheat. Last year for the first time the value of the barley crop was greater than that of the wheat crop. Having mentioned these aspects of the trend towards diversification in farming in Manitoba, I think we cannot be included in the group who are supposed to be crying havoc in the House of Commons.

Although I have no direct knowledge of the situation, I am informed that in the other provinces too, when the government has failed to move rapidly to deal with the very critical wheat marketing problem, the farmers have demonstrated initiative, in so far as they are able under the terms of the wheat board act, in helping to bring ready cash into the coffers. For example, I understand that farmers in Alberta have been bartering grain quite regularly for consumer goods and the merchants in the towns and cities have been encouraging this process. Advertisements are appearing in the papers offering consumer goods, furniture and so on, in exchange for the delivery of grain. Unfortunately, however, the price received is a very small price indeed when compared with the world market today. It runs around 60 cents per bushel and when we consider the inflation that has prevailed in Canada since the war it would actually be somewhere around 30 cents in terms of pre-war purchasing power.

Thus the prairie farmers, within the limit of their ability, are trying to cope with the unfavourable position in which they find themselves, a position that is growing increasingly difficult because they are caught in