Mr. QUELCH: I would say the best place to get figures, if the hon. member wants them on a government basis, is to take the report of the experimental farms, which shows, over a period of years, 69 cents a bushel.

Mr. DONNELLY: Why not try some practical man?

Mr. QUELCH: We have taken Professor Hope.

Mr. DONNELLY: Professors know nothing about it.

Mr. QUELCH: The cost of production will vary according to type of soil, and for anyone to say 60, 70, 80 cents is the cost of production is nonsense.

Mr. DONNELLY: It has cost me $5 a bushel sometimes in the last few years.

Mr. QUELCH: We can only take the average; and I say that the policy should be to lower the cost of production by taking marginal lands out of production. The sooner we can do that, the lower the average cost will fall.

Mr. EVANS: Take good land that has had a crop failure for ten years on account of drought; how can you get a cost of production?

Mr. QUELCH: That is a matter of drought relief, nothing to do with this question at all.

Mr. EVANS: How can you figure cost of production on that?

Mr. QUELCH: Drought relief is another question.

How can we expect to maintain unity in Canada when the monetary and tariff policies of the country benefit one section so greatly to the disadvantage of another? All that western Canada is demanding to-day is a truly national policy, a policy under which the rights of every section of Canada will be treated equitably. Would anyone suggest that is the case to-day? If that policy cannot be maintained then I say confederation has failed, and western Canada may well feel that it would be better off outside confederation. When it is proposed to allow the price of wheat to fall considerably below cost of production, while western Canada is subsidizing eastern Canada to an extent of well over $100,000,000 a year, I think the people of the west have sufficient ground for feeling that they are not getting fair treatment.

Some hon. members say that a subsidy means increased taxation and increased cost of production. But at no time have the members of this group advocated increased taxation in order to deal with this problem.

[Mr. Evans.]

We have repeatedly stressed the fact that so long as we have the ability to increase our production, so long as we have surplus labour and a favourable balance of payments, there is no reason why under the expressed policy of the Liberal government we cannot issue currency and credit in terms of public need to pay that cost. The result will be that we shall be stimulating demand for goods within the country.

I should like to deal now for a few minutes with Bill No. 83. I shall not try at this time to deal with the bill at length, but just say a few words concerning it. I live in a constituency three-quarters of which might be termed part of the permanent drought area of Alberta, although strangely enough the other end contains some of the very best land not only in Alberta but in Canada, judging by the fact that even during the drought years it always produced a good crop. Therefore a bill of this kind may seem to place me in a somewhat awkward position. Yet from all over my constituency I have been receiving resolutions condemning some of the proposals in this bill. In only one case did I receive a telegram asking me to support the provisions of this bill, and in that case they did not understand what the bill meant, because they demanded at the same time a guaranteed price of 80 cents, and when they have a price of 80 cents the bill ceases to operate, except in case of crop failure.

Mr. GARDINER: That is not correct. The 80 cents is the average price on the world market from August 1 to November 1.

Mr. QUELCH: But as soon as the price reaches 80 cents—

Mr. GARDINER: That is as soon as the average world price at Fort William reaches 80 cents; not the price to be paid by the government.

Mr. QUELCH: It comes to the same thing; if the price is 80 cents there will be no bonus. They want a guaranteed price of 80 cents and the bonus.

Mr. GARDINER: Their resolution was quite correct, they could have had both. The average price is defined in the bill. They want a guaranteed price of 80 cents; this bill does not provide that. Had Bill No. 63 provided a guaranteed price of 80 cents to be paid no matter what the world price, this bill would operate if the world price is below 80 cents.

Mr. QUELCH: But they want a guaranteed price of 80 cents, and if there is, this bill would not provide for a bonus, because as soon as the price reaches 80 cents—