

*Farm Improvement Loans Act*

tractors have to be used instead of horses because those that are used in the sugar bush are now very very rare indeed.

There are certain burdens which must be carried by the farmer before he starts making any sort of profit. It is a problem which has to be considered.

The same thing is true in other sectors of farm production. The price to the farmer has to be studied. Western farmers joined together to establish a basic price for their wheat production, according to the various categories of wheat and the same procedure should be followed in other fields.

People seem to worry about surplus production. Let us take corn production for instance. According to a report given to the committee on agriculture, we imported last year almost \$35 million worth of corn from the United States. Maybe we could produce a little more corn in our country, but would we be in a position to sell it? Could the farmer recover his outlay and make a profit? That is the core of the problem and a big question mark.

Other farmers undertake the raising of cattle, hogs and poultry. There also, there is a question mark. The farmer wonders whether he will be able at the end of the year to sell his production at a profit, at cost or at a loss?

Nowadays, Mr. Chairman, very often the farmer incurs a loss. Moreover, if the farmer were counting his labour, there would be times when he would reconsider his position and perhaps come to the conclusion that he should sell his farm.

Such a loan will perhaps solve his problem temporarily. Well and good, but will it solve it permanently? This is something to wonder about. It will certainly enable the farmer to enlarge his farm, but in what way? Will that lead him to a worse bankruptcy or will it help him to survive?

I would ask the minister to consider this very carefully, then to talk it over with the provincial ministers of agriculture, to refrain from depriving one part of the country for the benefit of another and to endeavour to find a farm policy that would satisfy every section of the country at the same time. Once such a policy has been established, we might have a more stable, more satisfied and a happier farming class.

But at the present, there are far too many of our farmers who must leave their farms to work in the city in an attempt to survive, and who have to use the money earned in the

city to make up the deficits they have incurred on their farms.

Granted, Mr. Chairman, there is land for everybody in Canada. Our farm lands are not so small, for the great majority of farmers own at least a hundred acres. I think such a loan will enable them to break more ground, but it will not solve the whole problem.

You certainly will not solve the farmer's problem by trying to consolidate all his debts, because ten years later he will be right back where he started. All you have to do is look at the situation today and compare it with what it was ten years ago. The difference between the two is that farm lands—I am speaking of eastern Canada—were debt free 15 or 20 years ago. Those were economic farms then, whereas today, under the same administration, the same management, they are burdened with debts and farm loans. It is obvious that there is something wrong somewhere and that improvements, changes are indispensable.

I am urging the government to consider such a possibility, and to stop worrying about production surpluses. There are so many people who are starving in this world that the farmers will only be pleased to sell their products to them. Is it not better to sell a little at a price lower than the current one, a certain percentage of production than not to sell at all or to sell at a loss? This is where the government must play their part, through a compensation discount granted to the farmers who would sell their products on outside markets at reduced prices. Then, the farmers would be able to buy the necessary farming machinery which is heavily burdened with taxes and almost beyond their reach.

In considering the western situation, I see that in 1944, a farmer could buy a combine for \$2,400 or \$2,700, while today he must pay from \$12,000 to \$13,000, even though it must be admitted that this piece of equipment has been improved. Although it can cut a 16-foot swath, the various improvements made do not compensate for the difference in price. To pay \$13,000 for equipment you use about only three weeks during the year, while the next year, the value of the equipment has gone down to \$9,000, is quite expensive because the farmer incurs a \$3,000 depreciation. Western farmers must make tremendous profits to meet such expenses.

For a tractor, it is exactly the same thing. Fifteen years ago a tractor sold for \$3,500, whereas today the cost is \$8,000, \$9,000 and \$10,000.

The price of wheat has not increased as much as that, the soil produces the same