

could get by and raise his family if he had no debt but if he had to pay interest of any kind whatever that interfered and brought his standard of living lower than what it should be?—A. That is exactly what has happened.

Q. And that has been due to recurring low prices and crop failures, but largely due to prices being lower than they should be to maintain him in his occupation having in mind the adversity he has to meet from time to time?—A. Yes. That is true. It is not always entirely the inability of nature to be kind to him that has caused the situation. Back in 1933—I know that Mr. Tucker would remember it well—the farmers got a good crop, but the prices they received for the wheat—

Q. 1932, I would think.—A. I beg your pardon?

Q. I thought you said 1933.—A. 1933.

Q. No, 1932.—A. Yes, 1932. The price that he got for it was 23 cents and 25 cents a bushel.

Q. Yes.—A. Well, to all intents and purposes it was worse than a crop failure for him, because he was involved in the cost of harvesting the crop.

Q. So here is the situation we get. I am bringing this up because of the apparent discrepancy. Somebody said that at one time you said that the farmers needed credit badly and could not get it and the banking system failed them; and then again that you spoke of another case where a man got credit with no hope of repaying it, and should not have got it. I say that is an illustration—and you can make a comment on this statement—of the state of mind of most of us in western Canada. We needed credit and we found we were under such circumstances from time to time, due to recurring drops in price and crop failures which must be taken into account, that we could not carry the cost of the credit. We could not carry credit at practically any cost, no matter how low. Is that not right?—A. No. It was impossible. In 1937 there were 65 per cent of the farmers in our province that had a definite crop failure. The average production of 65 per cent of the farmers of the province, according to the figures that were compiled by the Minister of Agriculture, Mr. Gardiner, was 3·4 bushels per acre; and the prices were not high. Breaking that all down and adding the amount that was provided by way of relief that came in to the farmers, and allowing a certain amount per farm for the disposal of a few eggs and things like that, I computed at that time that the total income for this 65 per cent of the farmers of Saskatchewan worked out at \$232 for the year. That had to take care of all of their operations and everything else. To talk about paying interest upon credit at that particular time—well, it was impossible. Yet if they were going to go through the motions, they were going to have to decide upon one of two things. They could say, "Here, this country is through; let us give it back to the Indians and get out of it." But they did not lose that confidence. Yet they needed credit facilities with sufficient flexibility in them that could continue to be used in order that they would continue to go through the motions and hope that the next year would be the year that they would begin to come back again. Do not make any mistake about it: the province has come back and has become very, very productive again. We have never lost confidence in it, and I think it will stay for some time.

Q. What I am getting at, Mr. Bickerton, is this. Our solution does not entirely lie in the realm of reform of banking and money. It lies in the direction of guaranteeing a minimum standard of living, in the way of a floor under farm prices and the Prairie Farm Assistance and so on, guaranteeing a minimum income to the farmer. That I suggest to you holds out more hope to the farmer than any question of getting rates of interest down another 1 per cent or half a per cent.

Mr. SLAGHT: What about the \$16,000,000,000 of taxes?

The WITNESS: You mean, Mr. Tucker, that so long as he has some assurance or some reasonable assurance of getting a crop and growing products?