

which the honourable senator from Rose-town (Hon. Mr. Aseltine) alluded in his explanation of this bill. That, of course, introduces great rigidity into the whole system of marketing.

It has been argued that one cannot differentiate in a matter of this kind between one section of the community and another. The honourable senator from Huron-Perth (Hon. Mr. Golding) raised the question of why it was necessary to include oats and barley. Can the farmer not sell those grains? He can if he is free to do it and can get cars to ship them, just the same as wheat. But the accumulation of wheat, as the honourable senator from Rosetown said, amounted at July 31 last to over 700 million bushels, with a new crop of 350 million bushels to be harvested a few weeks later. That has created a congestion, and the barley and oat farmers are in the same position as the wheat farmers—they cannot get cars or space to market their grain. For that reason they are necessarily entitled to the same consideration as the wheat farmers are getting under this legislation.

May I draw attention to another matter which was alluded to by the honourable senator from Rosetown, that is, the Prairie Grain Producers Interim Financing Act. I rather gathered from the tone of his remarks that he did not think very much of that act, which was introduced by the late Government to provide cash advances to farmers against grain on their farms which they could not deliver to markets because of the congestion.

**Hon. Mr. Aseltine:** Not cash advances, but bank loans.

**Hon. Mr. Crerar:** My honourable friend is very alert tonight, and he is anticipating what I am going to say. The method used under that legislation was advances through the banks. In other words, an arrangement was made with the banks by which they made a loan to the farmer at an interest rate of 5 per cent, and the Government guaranteed the banks in the event of loss up to a certain small percentage of the loss. The advantage of that method was that it left the Wheat Board free of dealing with this matter altogether; it also left the elevator agents free of dealing with it altogether. In addition, the bank could take security on the grain under section 88 of the Bank Act, and the farmer was then obligated to repay it, and if he did not do so he was criminally responsible.

**Hon. Mr. Macdonald:** Civilly, not criminally.

**Hon. Mr. Crerar:** Civilly, yes; I used the wrong word. I am not a legal man, and consequently I get these phrases mixed up sometimes.

**Hon. Mr. Macdonald:** You do pretty well.

**Hon. Mr. Crerar:** But under this bill we are now considering the Wheat Board makes the advances to the elevator companies. The Wheat Board gets the money to do so, under a provision of the bill, whereby the Minister of Finance gives the banks a guarantee for the amount required, and the money is made available through the Wheat Board to the elevator agents at the thousands of country elevators scattered over the prairies. The elevator agent then makes the advance direct to the farmer. What he will do, in all likelihood, is to issue the farmer a cash ticket, which he could not do under the Grain Act, but which he can do under this measure, since the provision of the Grain Act in this respect is set aside. The farmer then gets his money, and he is supposed to repay it within that crop year.

The first observation I wish to make about that is that it will increase very greatly the clerical work of the Wheat Board, and especially the clerical work of these elevator agents.

**Hon. Mr. Aseltine:** I have not heard the elevator agents complaining about the money they are making and which they are getting as the result of all this storage.

**Hon. Mr. Crerar:** Of course, they are not complaining. Why should they?

**Hon. Mr. Aseltine:** Let them do a little more work and earn it.

**Hon. Mr. Haig:** They are agreeable to this, too.

**Hon. Mr. Crerar:** Well, that is one interesting method of getting back at them.

I know something of the responsibility that the elevator agent has—he is the man who manages the elevator for his company—in taking these applications. If honourable senators will refer to section 4 of the bill they will get an idea of the amount of work involved. When the farmer has completed the application, he then signs an agreement that he will repay the loan by the delivery of grain, and he receives his cash advance. But before that is done he has to make an affidavit declaring that the statements he has made to the elevator operator are true and correct.

**Hon. Mr. Farris:** Is this a loan or an advance payment?

**Hon. Mr. Crerar:** It is not a loan. It is an advance payment, on grain to be delivered