

The Budget—Mr. Ross (Souris)

Country	Acres
Canada	76.9
United States.....	50
Great Britain.....	30.3
Ireland	17
Denmark	14.7
Norway	14.7
Spain	12
Sweden	11.6
Switzerland	11.2
France	10
Poland	5.7
Italy	5.2
Bulgaria	4.2

Then he goes on to point out the values of land in 1914, and in various periods up to the present. Land in 1914 was \$38 an acre, on the average, while in 1938 it was \$24, which is quite a reduction. On the other hand, farm wages, including value for board, during 1914 stood at \$323, while in 1938 it was \$405, and at the present time it is increasing at quite a rate.

Then, I have before me an article respecting distribution costs. It is issued by the 20th Century Fund's committee on distribution, and points out that approximately 59 cents of the consumer's dollar goes for the services of distribution, and only 41 cents for the services of production. There is much more detail in this connection, but I shall not weary the house with it at this time.

Mention was made this evening of Major Strange, who has done a good deal of research work for the Searle Grain company of Winnipeg. He has gone back over many centuries in his research work, and is conversant with other matters pertaining to agriculture. During October of last year that grain company, as a result of his findings, suggested that the allied governments at that time should enter into agreement with Great Britain direct, whereby they would pay \$1.15 for Canadian wheat, basis No. 1 northern, Fort William. He gave various reasons why that should be done, and stated that while neither France nor Great Britain could possibly decide at that time the amount of wheat they would purchase in Canada, they could easily decide now to pay farmers a reasonable price, which price would appear to be around \$1.15 a bushel for No. 1 northern in store, Fort William. He goes on to say:

Because Great Britain will be drawing heavily upon the United States for many raw materials, and because there is a limit to the gold, foreign exchange and American dollars available to Great Britain, she will tend to reduce purchases of wheat from the United States and so will tend, no doubt, to purchase wheat from Canada.

The review says it can be assumed that the allies will be glad to treat wheat on the same basis as any other munition of war, which means they will be glad to pay a proper,

[Mr. J. A. Ross.]

decent and reasonable price for it, so that it can be produced in proper volume for the duration of the war.

Then he mentions the cost of living, and states:

Continuing, the review says in part: "In 1913-14, which was in peace-time, wheat was 87½ cents a bushel for No. 1 northern in store Fort William, and was considered by many to be a fair price, and by all certainly not an excessive price. The Searle index reveals that since 1913-14 the cost of all the things that farmers have to buy had increased by 31 per cent by September 1 last. (It has risen sharply since then, and will continue to rise further no doubt as the war proceeds).

Adding 31 per cent to the pre-war price which farmers received at their local elevators, simple calculation shows that an equivalent price to-day would be \$1.15 for No. 1 northern in store Fort William for western farmers to be as well off as they were in 1913-14.

That this is a reasonable price is confirmed by the fact that the British government to-day pays for British wheat—of lower quality than Canadian wheat—the equivalent at par of approximately \$1.30 a bushel. One dollar and thirty cents a bushel in Great Britain means about \$1.13 at Fort William."

Then, I have here another small chart taken from the *Commercial Intelligence Journal* issued by the Department of Trade and Commerce. It is dated December, 1938, and points out the prices paid for wheat and for a loaf of bread in various countries. Probably we should not refer to Germany to-day, but it happens to be the first country on the list. The prices are as follows:

	Price of wheat per bushel	Price of bread per pound cents
Germany	\$2.28	6½
Italy	2.11	7.8
France	1.64	3.8
Norway	1.62	4.8
Belgium	1.17	3.1
United Kingdom65	4
Canada60	7

It will be noted that the price of bread in Canada—and this was in the city of Winnipeg—was 7 cents a pound.

Based on the findings of Doctor Hopkins of the federal Department of Agriculture; of Professor Hope, of the department of farm management, Saskatoon university; of Major Strange, of the research department of the Searle Grain company; of Professor J. E. Lattimer, professor of agricultural economics at Macdonald college, and of several practical farmers who have kept detailed records on their own farms for the past twenty years, and also in view of the discussion on the budget at this time, I maintain that the wheat crop for the coming year should be handled through the wheat board on a parity price,