

I have proven that the Canadian Farm Loan Board could sell its bonds at a rate of interest not exceeding 5 per cent. If there was any hesitancy on the part of the public to buy these bonds—they are considered to be a first class security—it should be possible for the government to endorse them, as is done with the Canadian National bond. I contend that the cost of administration of the board at Ottawa should be borne by the government, as is the case with other commissions. Where there is an agency of the board in the different provinces, the provincial government should bear that cost.

The twelfth report of the federal Farm Loan Board of the United States shows that loans are made from east to west in that country at the rate of 5 per cent. One exception is a small area where the rate is 5½ per cent. The Canadian farmer should receive the same treatment as does the American farmer. The province of Ontario is making loans to farmers at 5½ per cent without requiring that any shares be purchased. I am informed that in Denmark loans to farmers bear a rate of 4½ per cent, and in France from 4½ per cent to 5½ per cent.

I believe I have demonstrated that the conditions prevailing in this country do not warrant the rate of 6½ per cent charged by the Canadian Farm Loan Board, and that the bonds could be sold on the market for a rate not exceeding 5 per cent. I trust that in the near future this government will grant the request made by the farmer borrower, and thus keep the farmers on the land and away from the cities where they might increase the number of unemployed. Might I add, in closing my remarks that, notwithstanding the present agricultural conditions prevailing in this country, farmers, when all is considered, are better off than most workers in cities, where life is so intricate. Many factors contribute to lowering the cost of rural life. Beside being free from monthly rent, a great number of farmers draw from the soil part of the subsistence for their families as well as their fuel. What must we think of the numerous occasions which city people have of spending their savings, these opportunities do not exist in rural districts.

For these reasons and many others which would take too much time to enumerate, I cannot too strongly urge upon the farmer to cling more closely to the soil which, it is true, will not always bring him wealth, but, in return, will assure him a frugal, peaceful and happy life.

Mr. MOTHERWELL: Mr. Chairman, replying very briefly to the statement made by [Mr. Benoit.]

the hon. member for St. Johns-Iberville (Mr. Benoit), I would state that the compensation paid in the case of pure-breds is two-thirds of the valuation of \$150, and in the case of cross-breds, two-thirds of \$60. This is the highest compensation in the world for tuberculin cattle, and any proposal to raise these rates would have to be considered very carefully. It must be considered that the owner of the animal receives any salvage which might be saved from the slaughtered beast, and this runs up to as high as \$50 in some cases. I shall be very glad however, to give this matter my consideration.

Mr. COOTE: Mr. Chairman, I would like to bring to the minister's attention the question of hog grading at Calgary. I have brought this matter to the attention of the minister before, but there is another feature which has perhaps been overlooked. Under the present practice at Calgary hogs are going to the abattoir without being graded, which hogs are paid for by the packing plant on a basis of their own grading. The farmer is under the impression that those hogs have been graded by the government grader, and it would seem as if the whole system of grading had fallen into disrepute. The farmer raises a select hog which is sent to the abattoir, but his statement and cheque shows a payment on the basis of butcher hogs. Naturally, the farmer thinks that these hogs have been graded by the government grader, and he begins to think that there is no use raising select hogs.

I think this matter could be taken care of by issuing instructions to the graders that a slip certifying to the grade of the animal be sent to the producer. I took this matter up with the grader at Calgary and he seemed to think that the only difficulty would be the need of additional clerical help in the office. I think the estimates are large enough to cover the carrying out of this suggestion.

I know of one case where hogs were shipped to Calgary during the month of February, which were presumably graded as butcher hogs. The cheque came back from the packing house making payment on that basis. The shipper went after the graders at Calgary who finally admitted that these hogs had not been seen by them. An offer of settlement was made for whatever difference this man might claim because of the difference in grading. In his letter to me he enclosed the cheque which he had received from Burns and Company, as well as the statement. This showed that apparently in many cases the hogs sent to the packing plants had not been graded, and I would like to have the assurance of