

*Wheat*

are made up of storage and interest, on a larger amount of grain than is normal, and that grain is held in government storage over a much longer period than normally. In normal times the carrying charges on wheat amount to about 7.5 to 10 cents a bushel, depending on the size of the crop. Last year they amounted to 16 cents a bushel, and this year they could amount to more than that.

Well, the government said, what can we do to restore that situation to normal? We tried to find a period that could be considered normal before the period when the surpluses began to accumulate. We took the 15 years prior to the big crop of 1951 and found the average of the carry-over in each of those years. We found that it worked out to 178 million bushels on the average, averaging good years and bad years. We said that that is normal for the farmer. If the farmer is only dealing with a carry-over of that amount he has a normal situation. But the carry-over this year was about 215 million bushels larger than that, so we said the government will take the 215 million bushels and assume the carrying charges on that amount of grain for the full year. This amounts to about \$32 million dollars, which is a contribution by all the taxpayers of Canada to those producers who have an equity in that prairie grain.

When we speak of the government advances we must remember that the government has no money. It is the taxpayers of Canada who have the money. When we say the government is paying these carrying charges, it means that the taxpayers of Canada are relieving the owners of the grain of carrying charges to that extent.

There has been a great deal of talk about payment for storage on farms. Questions are asked as to why the government cannot pay carrying charges on grain stored on farms. Grain stored on farms does not belong to the government. The government takes the grain into storage and acquires ownership by paying an advance of \$1.40 per bushel on that grain when it is delivered to a country elevator; it then becomes the government's grain. The grain on the farms belongs to the farmer, just as the cattle on the farms belong to the farmer. If there is open storage space, the farmer will deliver the grain and get his payment. Then, that grain belongs to the government. If he has cattle on his farm he can market them, provided the stockyards are not congested and are able to take his cattle. There is no difference between the two. While they are on the farm they belong to the farmer. There is no way in which the government can properly pay any charges on grain that does not belong to the government.

[Mr. Howe (Port Arthur).]

It has been said frequently here that in the United States grain in the farmer's bin is paid for by the government, but that is not true. I have the rules here, and they are rather long. I can assure hon. members that the government of the United States does not have anything to do with grain until it is delivered into the government's approved storage. We, in Canada, cannot have anything to do with the grain until it is delivered into the government's licensed storage. The two are practically the same.

**Mr. Argue:** They are approved on the farm in the United States.

**Mr. Howe (Port Arthur):** The government of the United States devised a scheme involving steel tanks which they put on a man's farm, and under inspection the grain is delivered into these tanks for government account. It is measured, graded and becomes the property of the government in the government's own bin. Well, that is no different from putting it in a skating rink that has been licensed by the board of grain commissioners as a government granary. It is exactly the same principle. Some people assume that everything in the United States is free. Perhaps hon. members would be interested in seeing the charges that the farmer pays for putting the grain into approved storage on his own farm, the inspection fees and charges of that kind. Sometime later in the debate perhaps I can put on *Hansard* an outline of the United States system, and thus disabuse the minds of hon. gentlemen opposite who have been making statements about how it is done south of the border.

**Mr. Blackmore:** Do it now.

**Mr. Howe (Port Arthur):** I have not got the document here.

**Mr. Argue:** They get \$2.08 per bushel.

**Mr. Howe (Port Arthur):** No, \$1.81.

**Mr. Argue:** Plus protein bonus, storage charges and so on, making \$2.08.

**Mr. McIlraith:** Why don't you move over there?

**Mr. Howe (Port Arthur):** A great deal has been said about selling wheat. We believe in the wheat board system of marketing. Unfortunately, the whole wheat board does not know how to sell wheat. George McIvor has only been selling wheat for the government since 1931, and the other members of the board have only been at it 10 to 15 years. They have been in every market in the world. They know ever buyer in the world. Nevertheless there are people opposite who can tell