

Mr. WATSON (*Assiniboia*): No.

Mr. BERGER: Oh, you will pay for that Lawrence. That is all right, I am sorry. Mr. Watson will help me out. Let us skip that.

Mr. WATSON (*Assiniboia*): It is the farmer's money.

Mr. BERGER: Well, yes, I am trying to clear my mind on that.

The CHAIRMAN: I think, Mr. Berger, if you remember the figures given to us the other day in Alberta that the high final payment was 49 cents and the low was 38 for a period, I think, of ten years. Probably this is what these figures are based on. This is the wheat producer's own money. It is nobody else's money but theirs.

Mr. BERGER: Going back to that, Mr. Chairman, may I ask why this is being submitted if we have nothing to do with it and the farmers are going to pay for it? It is in this brief. I am concerned to a certain extent with all the facts being presented. If we have nothing to do with it, if it concerns the wheat board or the farmers themselves, why should we have it here? This is why I ask the question.

Mr. OLSON: The government sets the price.

Mr. BERGER: All right, I am thanking you.

The CHAIRMAN: Mr. Berger, I think Mr. Molgat wants to answer your question.

Mr. BERGER: Yes, I will be delighted.

The CHAIRMAN: If you will just let him.

Mr. MOLGAT: The situation is this: The wheat board sells the wheat and gets the money. The farmer delivers the wheat to the elevator and gets an initial payment, not the full payment. He gets an initial payment which is substantially less than the wheat board gets on its sale. At the end of the year the wheat board, having accumulated all the sales for the year and having established the final price, pays the balance back to the farmer. It is the farmer's own money. There is no government subsidy. I might say that this is one of the problems western farmers react to. They are very unhappy about the situation because every time the final payment comes up the newspaper headlines read: \$294 million for the farmers. The impression abroad is that this is a government gift. It is not. It is the farmers' own money. So, what we are asking for, because the price the wheat board has been getting has been quite a lot higher than the initial payment, is that they should now move the initial payment up.

I have here the wheat board's last report—1964-65—the initial payment being \$1.50. I will give you the year they have here complete. The initial payment was \$1.50 in 1963-64 the final payment was 47.4 cents. So what we are saying is, raise the initial payment to \$1.75 and then the final payment will be 23 cents or 22 cents. There is no danger; there is enough margin; the world price is high enough. The farmer will get his money and the businessmen will benefit from it. It does not cost anyone anything except some interest payments, possibly, to the wheat Board. But this is the farmers' own board. Whether the farmer pays interest back home himself on his borrowings or the wheat board does it for him it is his own cost.