

selling, and seem to think that this method of operation is not in the best interests of the producer. I must confess that as far as I am concerned I do not know very much about it. I have never dealt in margins myself; consequently have not the remotest idea of how it is done. I merely suggest to the government, and more particularly to the Minister of Trade and Commerce (Mr. Malcolm) that this would be an appropriate matter for investigation, either by the agriculture committee or by a special commission. Indeed such a course is almost necessary in view of the disclosures with regard to the selling of stocks and shares, more particularly oil and mining shares. The farmers are very much disquieted because they feel that in margin selling, or in short selling as it is termed, they are being done out of something which should be absolutely their profit. As I said before, this is a matter for investigation, and I merely make the suggestion in the hope that it will be accepted and that either the agriculture committee or a special committee will accept the task of investigating the particular matter with a view to finding out whether the present practice is beneficial or detrimental to the producer and, if it is detrimental to his interests, what can be done to see that he gets all that is coming to him out of his grain.

That, Mr. Speaker, is about all I have to say with regard to the speech from the throne. I desire now to take up another matter which is important to the people I represent, more particularly the agricultural classes, namely, the operation of the farm loan board. Hon. members will remember that this house in 1927 passed the Farm Loan Act. It was necessary before this act could come into operation that the provincial legislatures should pass concurrent legislation; consequently it was only late last year that the farm loan board came into operation in the various provinces which had passed the necessary concurrent legislation. It seems that the board in Alberta has made a discrimination between districts. When the legislation was being passed we in this corner of the house stated that we wanted to see the board carry on its affairs on a purely business basis; that every application for a loan should be thoroughly scrutinized, and that the board would be justified in rejecting applications for loans where the marginal security was not sufficient. But the farm loan board in Alberta have gone even further; they have taken the map of Alberta, have drawn a ring around a very large part of the southern portion of it, and have virtually said to people in that area that they will not even consider applications; therefore there is no use in anyone from that

[Mr. Gardiner.]

district making application for a loan. We maintain that under the terms of this act every application should be considered on its merits. We do not ask the board to make loans on all the applications that come from that particular area or even from any particular part of the province, but we do say that within that semi-dry area around which they have drawn a ring there are many excellent farmers making a success of farming who are just as much entitled to consideration at the hands of the farm loan board as are the farmers in any other part of the province, and we protest against this discrimination. By this discrimination the board virtually said to the line companies doing business in those areas: "Do what you like in this area, charge the farmers all you can get out of them, soak them if you possibly can." Now we maintain that that is not fair. As I said before, we do not ask for any special privilege, we merely ask that each application should be considered on its merit and that whatever the board may do will be based on the security which they can obtain from the farmer making the application.

Mr. ADSHEAD: Do the loan companies make loans in those areas?

Mr. GARDINER: They have loaned a lot of money during the past in those particular areas.

I desire to take up a matter which is of importance to the agricultural industry of Canada; I refer to the Australian treaty. We have heard that treaty discussed on many occasions in this house, but I intend to take it up from an entirely different angle, from the angle of the farmer in western Canada who is more particularly affected. The late Minister of Finance, who always believed in adequate protection, made a journey to Australia, and finally concluded a treaty with the Australian government, which treaty was finally extended to New Zealand. In making that treaty the late Minister of Finance naturally had to give quid pro quo, otherwise a treaty could not have been effected. I am going to read a resolution which was passed at the annual convention of the United Farmers of Alberta, held on January 20th of this year. This resolution states very clearly what the organized farmers of Alberta think about the Australian treaty. It reads as follows:

Whereas, the Australian treaty of 1925 was designed to confer trade advantages upon certain industries which in virtue of their highly privileged position under the customs tariff have been built up at the expense of other classes of Canadians, while industries in a less