

*Grain*

When the minister was in Calgary and Saskatoon recently he made two statements with which I cannot agree. One had to do with the recent \$65 million gift to the farmers of the prairie provinces. The minister realizes quite well that if the farmers had been paid the class II price for their grain during the period covered by the \$65 million they would have had another \$367 million in addition to the \$65 million. In the same period they also subsidized Canadian consumers by supplying wheat to the millers at a price below what they would have received for it as class II wheat, and another \$137 million should be added for that.

I believe these things should be taken into consideration when dealing with the problems of the farmers. In Saskatoon the minister said he would refuse to change the domestic price. He may have also said that in Calgary, but I did not see that report. I think we should no longer ask the farmers to give one-third of the price of their wheat to the Canadian consumer. Absolutely no case can be put up to support such a policy. I hope the government will change it without delay, and give the farmers what they are entitled to for their grain. Everybody realizes that the cost of machinery, wages and everything else for which the farmer has to pay has increased by 200 to 300 per cent over the past years. If we had had the kind of policy we should have had most of our farmers would have had a little reserve set aside so that a crop failure in one year would not have put them in the circumstances in which they find themselves at the present time. I may have more to say on this matter when we get into committee.

**Mr. J. A. Ross (Souris):** Mr. Speaker, first of all I should like to say that I think this is a step in the right direction, but like previous speakers I believe the provision is quite inadequate. Today I have been studying the report of the dominion bureau of statistics issued on December 13, 1951, dealing with the value of the wheat crop by provinces. Based on their figures the preliminary payment for wheat would indicate a value all told in the three prairie provinces of approximately \$600 million. That is on the basis of the initial payment. As I understood the Minister of Trade and Commerce (Mr. Howe), he said that about half the crop was still out in Alberta, 25 per cent in Saskatchewan and a very little in Manitoba. On the basis of these figures founded on the initial price this would mean that the value of the crop still unharvested is approximately \$175 million.

Therefore hon. members will readily see that the guarantee of \$5 million is less than

3 per cent of the value of the crop which farmers still have unharvested. It is very small. The minister said that prevailing commercial rates of interest would apply, and I presume that the rate of interest will be set out in the bill when we receive it. I would think it should be. I agree with previous speakers that there will be many small farmers, who really need assistance, who will find difficulty in obtaining a loan from the banks. The minister says he does not believe the \$5 million will be taken up, and that might well be so. In my opinion many of the needy farmers will be unable to obtain assistance under this scheme. Officials of the minister's department and others claim that we are going to experience difficulty in transporting our grain because of our present method of harvesting. It is said that the situation in the last two years is not temporary, and that we shall have to revamp our whole system in taking care of future crops. If that be true, and I think it is, then the government should give serious thought to assisting the farmers in storing the grain on their own farms.

As I have pointed out in previous statements in this house, we have the experience of our neighbours to the south who receive loans on farm-stored grain. In fact the United States has already advised the farmers that the initial payment, based on 90 per cent of parity, will be \$2.18; and this crop has not yet been seeded. For 1952 no quota is being placed on the acreage because the United States wants full production. The farmers are going to be guaranteed \$2.18 a bushel on properly stored grain, plus monthly storage up until April. After that they can turn the crop over to the government or they can sell it at the prevailing market price and pay off the loan. The market price is very much higher than the guaranteed loan of \$2.18 per bushel. As at present the federal treasury of the United States pays that difference to the farmers, and it is a very great difference. In fact the difference between what the United States farmer receives in North Portal as an initial price and what the Canadian farmer receives is \$1.07 and a fraction per bushel. On December 4 the United States farmer would receive \$2.30, on the street at North Portal for a certain grade of grain, while his Canadian neighbour would receive as an initial payment \$1.23. That is a great difference.

Our good friends from Ontario receive considerably more than \$2 per bushel for their wheat today because they do not sell through the wheat board. The market is higher than that. I feel that, because of the trend that has taken place in Canada over the past few