total about 23 cents per bushel. This leaves an average net price for the different grades of 57 cents a bushel.

Hon. Mr. HORNER: Forty-seven cents a bushel.

Hon. Mr. HAIG: Correct. It would be 47 cents a bushel at 70 cents. I was thinking of 80-cent wheat.

I do not believe the farming communities of those provinces can grow wheat at 47 cents a bushel and pay debt charges and taxation on the land on which it is grown. In this I am supported by the result of the Bracken Committee's inquiry and by the evidence of the farmers of that country as to cost of production. There is some evidence to show that on highly mechanized farms in fine districts the cost would be lower, but you cannot keep the farmers on the half-sections if their wheat is going to pay them only 47 cents a bushel net. Agitation will continue until that condition is rectified. You may say, "Let them go into something else." If they do, it will be a challenge to certain industries in the two central provinces. Take the dairy industry for instance. It may surprise honourable members to know that Manitoba took more first prizes for butter than all the rest of Canada put together.

Hon. Mr. MULLINS: In Marquette.

Hon. Mr. HAIG: Not only in Marquette. There are about twelve creameries there at the present time.

I want to read a report of interviews with Mr. Sproule, Vice-President of the Saskatchewan Wheat Pool, and Mr. Hutchinson, the chairman of the board of the Alberta Wheat Pool. This report appeared in the Winnipeg Tribune of about two weeks ago:

Dissatisfaction with the Dominion Government's latest wheat price decision was expressed to-day by leaders of prairie farm organizations, who have persisted that the lowest minimum price acceptable to the farmer was 80 cents a bushel.

In the House of Commons Thursday night the Government announced its initial price of 60 cents a bushel had been altered to 70 cents for the first 5,000 bushels produced by each farmer, on the basis of No. 1 Northern at Fort William. At the same time the wheat acreage bonus allowances were cut.

"We consider that 80 cents was the very lowest possible amount which could be considered,' said A. F. Sproule, Vice-President of the Saskatchewan Wheat Pool. "In order to pay all taxes as well as all debts and to meet the other charges which go to make up the cost of producing wheat, the Fort William price would require to be about 25 cents higher on the average.

"As it is, the debt problem is left in much the same position as before. Debts will still remain largely unpaid and they will stay that way until the price of wheat to the farmer rises substantially or else the cost of the manufactured goods that he buys comes down just as substantially.

Lew Hutchinson, chairman of the board of the Alberta Wheat Pool, said the Government's 70-cent figure was "totally inadequate."

"When the Wheat Board took over in 1935 we fought for 95 cents and it was compromised down to 87½ cents under protest," he added. "In 1938 it was further compromised down to 80 cents under more protest, and now we are asked to take another 10-cent cut."

"People should understand that 70 cents a bushel for No. 1 Northern at the terminal means 47 cents a bushel on the average grade of wheat at the farm," he added. "Eastern Canada should understand that most farmers in the West hardly will make expenses at that price, even with a fair crop."

Members of the Western markets committee, headed by Premier John Bracken of Manitoba, who has urged an 80-cent price at the least, were silent pending Mr. Bracken's return from a visit to Northern Manitoba. It is expected the committee will meet shortly to consider the Government's latest wheat policy.

John I. McFarland, Calgary, former head of the Canadian Wheat Board, asked: "Who is to see there is no 'bootlegging' above the 5,000-bushel allotment, and how will it be regulated?"

"How many farmers last year would have averaged above 5,000 deliveries to the Wheat Board, and how much wheat would have been left?" he asked. "If the surplus over the stipulated amount were thrown onto the open market in competition with wheat taken under the guaranteed price, would it not mean a greater loss than a fixed price or system similar to that of the past few years?"

Now I come to a letter published in the May issue of the Chamber of Commerce magazine, Canadian Business. I shall read only part of it. The letter is from the President of the Alberta Board of Trade and Agriculture.

I believe your readers in the East should realize that Western Canada is now facing the most grave and trying period of its history. To a degree not prevalent probably elsewhere in the world, all business and industry of the West is based on the ability of the grain grower to exact a price for his product sufficient to afford a livelihood for himself and those dependent on him. The findings of the Bracken Conference last December decisively indicate that no such price will be available to him until subsidized production ceases in other countries.

In the absence of such a return for his labour, the grain grower cannot obtain the products of other industries nor the services, professional and otherwise, that are essential to his welfare. Unless he is afforded an appropriate measure of assistance in the form of guaranteed cost of production, all secondary industrial and commercial activities throughout Western Canada will face near-paralysis. The disappearance in large measure of the present quite limited buying and debt-paying power of all classes in the West, will exert an unfortunate influence on the industrial, financial and employment situation in Eastern Canada.

The following factors outweigh objections that naturally might be advanced against the subsidizing of any industry: