on the half section and 79 cents on the section. May I remark that two-thirds of the cultivated area of Saskatchewan, according to Professor Hope, falls into these classifications; but when we were discussing this matter the other day the minister used about one per cent of the farms of Saskatchewan as the basis for his statement that wheat could be produced at from 30 to 40 cents with an average crop of 20 bushels to the acre.

Now let us turn—because we have to do this—to the other returns that may be expected from the farms in these areas, and again I quote the bulletin. This bulletin gives the additional income from farm products, which would be only slightly more if you allowed something earned for threshing and so on, as $119 yearly on average prairie, on a half-section, and on fair prairie an additional average income of something less than $100, also on a half-section. One other thing should be said, that with an average farm price of 77 cents for No. 2 northern the half-section farm in the area southeast of Wilkie and northeast of Weyburn, which is the average prairie, could retire a maximum debt of $482 in twenty years, amortized at six per cent; and included in that calculation are returns from live stock and other farm sales. In the district comprising the Gravelbourg, Richmound and Golden Prairie areas, fair prairie, according to the same bulletin, with an average farm price of 77 cents per bushel for No. 2 northern the annual cash income from all sources would be $4, and thus no debt could be amortized. Of course I am now quoting not my own opinion but the statement contained in bulletin No. 64, and Professor Hope emphasized at the Bracken conference that these soils are typical of two-thirds of the cultivated area of Saskatchewan.

Hon. members will understand why we say that the bills now before the house reduce a large percentage of western farmers to the level of the European peasantry and are ineffective to meet the situation confronting the country not only now but possibly in the immediate future. I have used the half-section farm as an illustration because the minister says he wants to encourage the smaller rather than the larger units; but the story for the larger farms, that is the section farms, on this type of soil, is not very much more encouraging. With an average farm price of 77 cents for No. 2 northern wheat the net farm income on fair prairie would be $859 a year, sufficient to amortize a debt of $9,852 at six per cent in twenty years, or an average of $15.39 an acre. In the average prairie section, at the same rate per bushel, 77 cents for No. 2 northern on the farm, the section would yield a net yearly income of $703, sufficient to amortize $8,086 at six per cent in twenty years, or $12.63 per acre. Again I would emphasize this: Seventy-seven cents for No. 2 northern, of which I have been speaking, is the farm price, which would require, therefore, approximately $1 per bushel for No. 1 northern at Fort William.

We begin now to understand perhaps what Professor Hope had in mind when he said at the western conference last December:

Conservatively it would require with average yields of average grades (not No. 1) a farm price of about 90 cents, with coarse grains in proportion to maintain a reasonable standard of living and service the debt on western farms. It would require somewhat more than this to restore farming community to the condition of 1931.

Therefore to quote Professor Hope as the authority for the statement that wheat can be produced for from 30 to 40 cents per bushel is in my opinion to convey the wrong impression of what Professor Hope actually meant.

In my opinion western Canada faces the greatest crisis in her history. The policy elaborated by the Minister of Agriculture (Mr. Gardiner) will reduce western grain growers to the subsistence level of European peasants. What was the real basis for the adoption of the initial price of 70 cents per bushel at Fort William which is, I repeat about 47 cents on the farm, having in view the experience of last year? The minister said on April 5 that if he were asked how they arrived at 60 cents he would say that in only two years out of the last forty-nine for which we have records has wheat been below 60 cents on an average at Fort William throughout the year. In one of those years it was only one-fifth of a cent below. He remarked he had read in the debates of 1935, in a speech of the then leader of the government, the Right Hon. R. B. Bennett, that up to that time in only one year out of 400 had that been the case. He had checked for himself the last forty-nine years and he found there were only two years during that period in which the average price at Fort William was below 60 cents. In one of those years it was 59·8 cents and in the other it was 54 cents and a fraction. Those were the years of 1932 and 1933.

The minister went on to add:

We therefore, think that the government is taking little, if any, risk in a scheme of this kind, as far as the 60 cent advance is concerned.