

manufacturers in Ontario and Quebec resulting from the tariff you have a gain to the east of over \$83,000,000.

The Minister of Agriculture stated yesterday that it would not be fair to take that as a basis on account of the fact that the farmers of eastern Canada pay a tariff. But the tariff they pay is included in that statement; and so far as the farmers themselves are concerned, we would say that all farmers, east and west, should be guaranteed a price not only for wheat but for all primary products—and I include the fishermen as well. That, however, is not the point I wish to make. The point is that we are constantly being told by certain eastern members that the cost of the subsidy to western Canada has to be borne by the east, and I have shown that for a number of years western Canada has been subsidizing eastern Canada to a far greater extent than the east has been subsidizing the west.

On several occasions the hon. member for Moose Jaw (Mr. Ross) has made the statement that the western farmers do not wish to be subsidized and are prepared to sell at world market prices provided they can buy at world market prices. Well, here we have a Liberal government that is supposed to believe in free trade, and yet we had the amazing spectacle the other evening of the hon. member for Dufferin-Simcoe (Mr. Rowe) challenging any member on the government side who believed in free trade to rise in his place and say so. He threw out that challenge time and time again and not one Liberal member rose and said he believed in free trade. What is the use of saying you believe in the farmers being able to buy at world market prices when you have no intention of making it possible for them to do so? We contend that so long as the farmers of Canada are compelled to pay a protected price for the commodities they buy, they have every justification in demanding a protected price for the commodities they have to sell. Before that is possible, I believe we shall have to institute a marketing board probably along lines similar to that of New Zealand, and the board will have to have power to control not only distribution and production but exports as well before we can ever hope to deal with the problem in a really sound and satisfactory manner.

Figures similar to those I have quoted can be found in other parts of the case for Alberta, but I do not wish to take up the time of the house. We find that as a result of monetary policy and the tariff, the farmers of the west have been penalized to the extent of over \$79,000,000 a year.

There is one more interesting point I might refer to in connection with the cost of the tariff to the grain growing industry. On page 191 of the case for Alberta reference is made to the Manitoba brief. I quote:

In the Manitoba brief to the royal commission on dominion-provincial relations, a direct estimate of the burden of the tariff upon the prairie provinces is attempted. This involves an actual comparison of the prices paid by a Manitoba farmer for his typical yearly purchases, with the prices paid by a nearby Minnesota farmer. We await the checking of this estimate also, by experts, but wish to express our point of view on a few aspects.

The following table is a condensed summary of the elaborate investigation, and indicates that the Canadian tariff costs the average western farmer about \$110 annually.

Estimated Increased Cost Per Farm in Western Canada because of Tariff Imports from the United States	
Automotive equipment and fuel. . . . .	\$ 27 19
Machinery, implements, etc. . . . .	18 45
Building material. . . . .	7 16
Household equipment and furniture. . .	12 60
Clothing. . . . .	24 41
Food. . . . .	20 57
<b>Total. . . . .</b>	<b>\$110 38</b>

I have stated that the cost of Canada's monetary and fiscal policies to the farmers of western Canada has been over \$79,000,000 annually, \$32,000,000 on account of tariffs—and \$47,000,000 to the grain growers, on account of monetary policy and that does not include the effect of monetary policy on the rest of the farmers, just the grain growers. In addition, we have the injustices caused by high interest rates, high insurance rates and high bank rates. Prior to the last revision of the Bank Act the banks had been deliberately robbing the farmers of the west by charging eight per cent, when by law they were entitled to charge only seven per cent.

The policy for the west, as I stressed before, has been, "Soak the west." That has been the philosophy on which sales prices, interest, and insurance, was founded. It was figured the west could pay more. Now it is realized that the west cannot pay and never will be able to. In addition, we have the high railway tariffs which are largely the result of subsidizing the bondholders to the extent of some \$43,000,000 a year. Yet in spite of the fact that under our tariff and monetary policy we are asked to contribute to the extent of probably well over \$100,000,000 a year, we have some hon. members from the east who have the barefaced effrontery to challenge the right of western Canada to a guarantee of the cost of production.

Mr. EVANS: What is the cost of production?