1933, when wheat was 68 cents a bushel, the west was able to buy only $80,000,000 worth of goods from the east, or approximately 20 per cent of what it bought when wheat was $1.05 a bushel. That decrease in the purchases of the west would account for a great deal of the unemployment we had which necessitated the payment of large sums in relief. It meant that many railroad crews were idle and that Canada was compelled to pay deficits on the Canadian National Railways and other enterprises.

Again, in 1928, when wheat was selling at $1.05 a bushel, purchases of farm machinery in western Canada amounted to $89,306,000. In 1933, when wheat was 68 cents a bushel, those purchases dropped to $8,196,000. Here again one will see reflected in industry generally the effects of a poor price for our wheat, and those effects are felt throughout the whole of industry right across Canada.

We are told that the farm implement manufacturers of Canada find most of their markets in eastern Canada, but the report of the special committee which investigated farm implement prices shows that the sales of the International Harvester company in western Canada amounted to 77·6 per cent, while its sales in eastern Canada were only 22·4 per cent. The Massey-Harris company had 66·69 per cent of its sales in western Canada and 33·31 per cent in eastern Canada. The John Deere company had practically all of its sales in western Canada. These figures I think show quite plainly where the markets for farm implements are to be found.

Approximately only 40 per cent of the farmers of Canada live in the prairie provinces, and that 40 per cent has been paying a very heavy toll to the central provinces. In tariff costs alone the west has paid approximately $54,000,000 a year. That is in duties alone, and if we were to include the extra amount that we are charged for our machinery, I am sure that figure of $54,000,000 would be considerably increased.

Some people say that the western farmers are getting all the cream but I submit that other parts of Canada are getting quite a little bit as well. This is an article from one of the western newspapers:

A total of 93·6 of all Canadian wheat is grown west of Winnipeg, only around 20 million bushels being grown in a normal year in the other provinces. With respect to other grains the percentage has a wider variation: only 64 per cent of oats, 79 per cent of barley, 87 per cent of rye and 95 per cent of flax is grown west of Winnipeg. On the other hand, 54 per cent of all Canadian cattle are raised in eastern Canada, 62 per cent of all hogs, 55 per cent of all sheep, 58 per cent of all eggs, 64 per cent of all butter, 95 per cent of all cheese and 72 per cent of all milk is raised in or produced in the eastern parts of Canada.

These figures were quoted recently by Hon. James G. Gardiner, Minister of Agriculture for Canada, in a speech he made in Winnipeg. It is evident that while western Canada specializes in grain growing, eastern Canada specializes in mixed farming. The Minister of Agriculture resorted to the quotation of statistics to disprove the contention that western agriculture has benefited more by contributions from the federal treasury than had eastern agriculture. He showed that wheat and other grains had for the most part carried themselves over the trying years in spite of drought and marketing problems.

I should like the committee to note that. The article continues:

In the past ten years in the neighbourhood of $36,800,000 had been spent to maintain and assist the live stock industry and of this sum over $27,500,000 went to eastern Canada. . . .

Even should the federal government have a loss on its wheat board transactions this year to the extent that the pessimistic critics forecast, it would not swell the ten-year federal expenditures for maintenance of the wheat industry to a figure approaching the amount spent on the live stock industry over the same period.

Quite frequently the west has been advised by armchair critics to abandon grain growing and go into mixed farming.

I would ask the hon. members to pay particular attention to what follows:

In a normal year approximately 66 per cent of the grain grown in Canada is exported and 66 per cent of the cheese produced is exported. There are only four other agricultural products of which the export volume exceeds ten per cent of the production.

If it were possible for the west to switch from grain specializing to mixed farming, the mixed farming industry would require even greater federal assistance than has already been given. A 50 per cent increase in mixed farming production in the west would put the eastern mixed farmer out of business, or at least cause him to clamour for even greater protection than is already afforded the mixed farming industry. In order that the mixed farmer may secure a higher price for his butter, his milk, cream cheese and other products he is protected by a high ratio of duty against the importation of these commodities. Increase in the domestic supply with a limited export market would have a serious effect upon the mixed farmer, though the purchasing public might be able to buy at lower cost.

It is a poor time for the eastern Canadian farmer to start to complain about the assistance given western agriculture, for the eastern agriculturist is in a vastly different position; not only has he a protected domestic market in which to sell his products, but he has been receiving generous assistance from the government in all his farming activities. On the other hand, the services with respect to grading and inspection of wheat and other grains are paid for by the farmers through fees charged for the services.

Those people who started the shouting and complaining because the western grain growers