

government purchase. The wheat situation in western Canada is an example of how serious the condition is becoming among our producers. At the present time the supply is as follows: According to figures I have obtained we had, before this year's crop was reaped, a carryover of 300,000,000 bushels. The latest estimate for this year's crop shows an amount of 547,179,000 bushels, of which quantity the west produced 540,000,000 bushels.

With regard to markets, in our domestic market and under the present system Canada can use 140,000,000 bushels. Great Britain will probably take 150,000,000 bushels, and others will take 30,000,000 bushels. The carryover will, as everyone knows, be the largest in history. What does this mean? In the west, alone, 300,000 farmers will be affected, and the condition will affect more than 20 per cent of Canada's export, 25,000,000 of Canada's best acres and two billion dollars of investment. When we consider the whole of Canada the figures become much more impressive than the ones I have placed on record.

What is the storage situation? Canada's storing capacity, including terminals, is estimated at 425,000,000 bushels. The line elevator companies and the wheat pool, by constructing additional bins, are estimated to be about to supply space for 25,000,000 bushels more. That is not enough. The result is that we have a most deplorable situation. I have seen huge quantities of wheat, wheat upon which this country may be dependent for its very existence, heaped in roadside ditches, piled up in the fields, in danger of wasting.

That is not all which concerns the western farmer. It seems that few people realize that there is a rapidly rising secondary price structure. According to the Searle letter of October 23, 1940, prices of the 147 commodities western farmers buy have risen, since 1914, as follows:

	Percentage of increase in price since 1914
	Per cent
Groceries.	22
Clothing.	33
House equipment.	66
Farm equipment.	44
Farm machinery.	67
Municipal taxes.	74

The whole 147 articles sent out in the Searle index now cost on an average 42 per cent more than they did in 1914.

According to the same letter, since the present war broke out the cost of articles the

farmer must buy has risen on an average of 8 per cent. The following are some specific increases:

	Percentage of increase in price in last 12 months
	Per cent
Groceries.	14
Clothing.	7
Household equipment.	11
Farm equipment.	7.5
Farm machinery.	7
Municipal taxes.	2

These index figures indicate increased cost of absolute necessities for living and producing. It is impossible for the average hon. member sitting in comfort in this chamber, without knowledge of the situation confronting those farmers, to realize even remotely how serious the picture has become. The Searle index shows that the actual cost of living of farmers has risen more in the first year of this war than it did in the first year of the last war. The index points out that one bushel of wheat now has only 54 per cent of the purchasing power it had in 1913 and 1914.

With wheat at such a ruinous level, so far as its purchasing power is concerned, imagine the tragic plight of the farmer, with his grocery bill, gasoline bill, repair bill, taxes and a wide variety of other bills still unpaid, in a position to sell only part of his crop! Imagine the plight of those who trusted him and supplied those commodities! Imagine what will happen to his credit next year when he undertakes to put in another crop! Who will advance him the gasoline? Who will trust him for repairs to machinery? What effect will that condition have on Canada's productive power next year? Imagine what is happening to those who would have sold to him! And this is a consideration which affects eastern Canada particularly.

Let it be borne in mind constantly that when the western farmer cannot buy, the eastern producer cannot sell and cannot obtain payment for the commodities he has already sold. If eastern producers cannot sell, then those same eastern producers cannot continue to produce. The economic strength of Canada is impaired to the extent to which production falls off.

Mr. BLAIR: What about the eastern farmer?

Mr. BLACKMORE: The same thing applies to the eastern farmer. I happen to come from the west. If I came from the east I would speak for him. But I do not see why other hon. members do not say more for the eastern farmer.