

The Address—Mr. Harkness

might be put into operation, but it has at least this advantage. It meets all the objections which have been raised by the minister and others as to the losses which he has implied would be almost certain to take place if credit were advanced at the present time. I would strongly urge on the government that a scheme such as this, or one of guaranteed bank loans, or one of cash advances for farm-stored grain, be instituted at once. I do not care what the particular scheme is but I know that the need exists, and I think it is one which the government must meet.

As I have said, as the government has made itself the sole buyer of western grain, it has the definite responsibility of accepting the grain from the farmers when they have it ready to deliver or of ensuring that they can secure sufficient credit on it to feed and clothe their families and carry on their farm operations. That responsibility the government cannot escape by indulging in statistical orgies such as the one engaged in or enjoyed by the Minister of Trade and Commerce yesterday. Such statistics fill the minister's mouth and the pages of *Hansard*, but they certainly do not fill any stomachs and they do not pay any gasoline and repair bills.

Yesterday the minister made much of the fact that over \$1 billion would be paid out this year to western grain producers, the highest amount on record, he said. What he did not say is that the general farm income is considerably down this year from what it was last year and again last year it was down from what it was the year before, and that the farmer is actually in a price squeeze.

I thought it was quite a peculiar coincidence, and one which is unfortunate for the Minister of Trade and Commerce, to see two of the headlines in this morning's *Montreal Gazette*. Looking at an inside page one sees this heading: "No Need for Grain Loans, Income New Record—Howe". Then when we look on the front page of the paper we see another heading: "Farm Income Dips Sharply in Dominion". Somebody must be wrong, as far as the general inference is concerned, and I suggest that it is the Minister of Trade and Commerce. The article under the heading "Farm Income Dips Sharply in Dominion" says this:

Farm income in Canada will drop by 12 per cent in 1953, the second consecutive annual decline from the 1951 peak, federal agricultural economists estimated today.

I suppose those are the economists of the Minister of Agriculture.

Mr. Gardiner: Dealing with net income, of course.

Mr. Harkness: Yes.

In a 106-page report prepared for the annual federal-provincial agricultural conference opening here Monday, the economists made these points:

1. World agricultural prices have softened and this softening will continue into 1954.
2. The flow of cash to Canadian farmers has declined . . .

I will not read the rest of it. Then further down, they go on to figures:

The economists estimated that net farm income in Canada will drop by 12 per cent which, on the basis of 1952 figures, would mean a drop of about \$228 million to \$1,672 million from \$1,900 million. The peak was \$2,200 million in 1951.

That means there was a drop of \$300 million in farmers' net income in 1952. There was a further drop this year of \$228 million, making a total drop of \$528 million in two years, which is 24 per cent. In other words, farmers' net income has fallen by a quarter in the last two years.

The Minister of Trade and Commerce (Mr. Howe) sought in his speech yesterday, when talking about these billions of dollars which have gone out for grain, to leave the impression among people who did not know that the farmer was much better off than he had ever been before, and that his income was at a much higher level than ever before. The minister also sought to leave the impression that the farmer, as a result of this, required no credit assistance. As shown by these figures put out by the Minister of Agriculture, the actual fact is that the farmer is much worse off than he was last year, and was worse off last year than he was the year before. His income has declined, as I have said, by 25 per cent—24 per cent actually—and his expenses at the same time have advanced.

Surely it is going to be very difficult for the Minister of Trade and Commerce, in the face of these figures showing a decline in income of approximately one-quarter and an increase in the cost of doing business, to try to maintain that because a certain amount of money was sent to the west last year, no credit is now required. Actually agriculture generally—and I think the Minister of Agriculture (Mr. Gardiner) himself will probably admit this to some extent—is in a much more serious situation than has been the case for a number of years. In any event—

Mr. Gardiner: Mr. Speaker, I would very much rather that my hon. friend read that whole article, because it does give an explanation which he has not given the house at all.

Mr. Harkness: I do not know of any explanation that it gives, Mr. Speaker. In any event, I have not very much time left, so I am not going to use that time reading