

gency. There is understood to be a crop failure when 135 townships in the province of Saskatchewan or 100 townships in either Alberta or Manitoba have an average yield of five bushels or less to the acre. Applications for assistance under the Bill will have to be made through the municipalities to the province, and then from the province to the Federal Government. Local conditions will likely be checked by the municipal and provincial governments, because they are in a position to check them more efficiently and at less expense than the Federal Government are. The occupiers of this land in a crop failure area who have a yield of five bushels an acre or less will be paid a sum not exceeding \$2.50 an acre up to 200 acres. That payment must be on only one-half of their cultivated land. But the land need not be seeded to wheat; it may be seeded to barley, oats, flax, or any other kind of farm crop. The intention is not to pay on wheat alone. The payments are in respect of crop failure caused by drought, frost, grasshoppers or rust. Damage by hail is excluded, for the reason that hail insurance is available in the three Prairie Provinces. These payments will not apply to more than 200 acres farmed by one farmer.

In order to establish a fund out of which these awards in future years may be paid, in whole or in part, an assessment of 1 per cent is to be made on all grain marketed at the local elevator. It is calculated that the farmer who has a good crop of grain, whether barley, oats or wheat, ought to make some small contribution to the relief of his unfortunate fellow farmer in that province who did not have a crop at all. It is estimated that 1 per cent this year would aggregate between \$2,000,000 and \$2,500,000. This will help to build up a compensation fund which, while it may not be entirely self-sustaining, will at least be partially so.

At the present time we find there is a very active discussion in most countries of the world in regard to what should be done to assist the farmer. The new Minister of Agriculture in Great Britain, Sir Reginald Dorman-Smith, is a past president of the National Farmers' Union of England. He was in this city last year, when I had the pleasure, along with a number of other senators, of listening to him. In Great Britain he is regarded as one of the best authorities on the farming situation. He has recently laid down the principles of his policy, particularly with respect to crop insurance. He said:

In its broadest sense, the term "price-insurance" is used as covering measures which ensure a fair return to the producer by some form of direct payment. Within this idea two rather different principles are contained.

Hon. Mr. MARSHALL

First there is the idea of a "guaranteed price." This contemplates that the farmer shall be guaranteed by the State on all his production a price sufficiently remunerative to ensure him a profit when all outgoings are paid.

The implications of such a concept should be clearly realized. If this were granted, the farmer would enjoy a degree of security which Parliament has not given to any branch of industry.

No measure of protection or assistance that has been given to industry, by tariff, subsidy or otherwise, amounts to this. To give such a guarantee would, in the present condition of our agriculture, impose on the Exchequer a burden which no body of taxpayers could reasonably be expected to shoulder.

To-day we in Canada are faced by a condition, to meet which it is estimated that over \$40,000,000 may be required from the treasury as a bonus, so to speak, to the wheat-growers of Western Canada on the basis of 80-cent wheat. As I remarked the other day, I believe the people of Canada do not begrudge that, because they know their fellow Canadians in that territory have suffered over a period of years as no other section of our people have suffered. But there is no doubt that as three-quarters of our population are not engaged in raising wheat, there will come a time when they will not be willing to put anything like that amount of money to bonus our wheat growers.

Sir Reginald Dorman-Smith, whom I mentioned before, when stating his agricultural policy before the British House of Commons, said:

The general aim of the policy would be to create and maintain conditions which will enable those engaged in the industry—

—that is, agriculture—

—to obtain at least a reasonable livelihood by efficient production and marketing, and to farm the land to the best advantage; and so to ensure the maintenance of the productivity of the land and the improvement of its fertility.

Then he proceeded:

With regard to tariffs, there was the objection that they "taxed" the people's food. That objection was not in itself an insuperable one, but a further difficulty was placed in the way of tariff protection by the international engagements into which this country had entered.

By that he means such treaties as Britain has made with Canada and the United States. Under our trade treaty with Great Britain we export large quantities of farm produce, particularly, bacon, beef and wheat. He is prepared to support British agriculture in such a way that the farmer will be enabled to make a decent livelihood, but he does not pretend that such support will give the farmer a profit.

We hear a good deal about the cost of raising wheat and producing butter and cheese. I think nobody can give any but approximate