

## Grain

payments in the spring. If he has any payments coming in the spring they are already hypothecated to pay the loan.

**Mr. Howe:** No, he will get his further payments this year. The only security we get is the initial delivery.

**Mr. Fair:** It has been suggested that a farmer who has delivered \$1,000 worth of grain cannot get any further credit under this legislation. In my opinion that is not correct. What is the correct answer?

**Mr. Howe:** That is correct. If a farmer has obtained \$1,000 by delivering grain from this crop he is ineligible for further credit.

**Mr. Fair:** I do not think that is very good business, because many people have very heavy expenses. The fact that they deliver a thousand bushels of grain and get an interim payment on it will not begin to pay the expenses incurred by many farmers. I think the \$1,000 credit will not be sufficient.

**Mr. Argue:** I should like to follow up the minister's illustration of a moment ago with respect to the small farmer who ordinarily would thresh \$1,000 worth of grain. He can apply now and get a loan of \$1,000, but there is no assurance that that farmer will in fact be able to harvest his crop next spring. I believe the vast majority of the crop will be harvested, but if a man has a low-lying farm subject to floods the whole crop may be wiped out. If there is a wet, damp spring weeds will come up through the standing grain or through the swamp. I know that thousands of acres were burned over in my area in the spring of 1943 following the fall of 1942 when we had a situation such as we have now. If 50 per cent, shall we say, of the grain delivered on the permit book were allocated to the payment of this obligation the farmer would then have a little cash with which to go to the storekeeper and oil dealer and secure some supplies for spring operations. The minister has said—he is always an optimist and is very often right—that he expects about 97½ per cent of the grain will be harvested. I take it he means acreage. I think much more than 2½ per cent of the grain is lost now. However, he says that he expects 97½ per cent of the crop will be harvested. I hope the minister is right, and I think there is a good chance that he will be right, but the 2½ per cent that remains unthreshed will mean the whole crop for a lot of the smaller farmers.

Under this measure the 2½ per cent of the farmers who are unable to harvest their crop even in the spring will be able to get an advance of \$1,000. Then they will be tied up for \$1,000 worth of next year's crop. I should like to see, although I do not think

the time is ripe for it now, an amendment to the Prairie Farm Assistance Act which might bring the provision I wish to suggest into effect at the end of July next year. An inspection could be made then of the farms to ascertain which farmers had been unsuccessful in harvesting a large part of their crop. There are bound to be some farmers in that position. No farmer with a potential crop of 30 or 40 bushels an acre will forget about harvesting it in order to get some help under the Prairie Farm Assistance Act. However, if because of bad weather conditions next spring certain farmers are unable to harvest their grain, I think in an emergency like that an amendment should be made to the Prairie Farm Assistance Act to provide for payment to them of \$2.50 an acre. It is not very much, but for the small farmer in the constituency of the hon. member for Mackenzie, shall we say, who next spring is unable through no fault of his own to harvest his crop, \$2.50 an acre paid under the Prairie Farm Assistance Act would be of some material help. That is the type of emergency that I think the government should deal with.

Section agreed to.

Sections 2 to 8 inclusive agreed to.

On section 9—*Offences*.

**Mr. Fair:** You are going very fast, Mr. Chairman, and before you get away from us I should like to say something about clause 9. I think subsection 1 (a) is all right but subsection 1 (b) reads:

A person who makes any other statement in his application that is false in any material respect . . .

I should like to see the word "knowingly" inserted before the word "makes". In many cases farmers may unintentionally make some statement that would get them into trouble under this clause. If we add the word "knowingly" it will relieve that situation. I am not sympathizing with the person who knowingly makes a false statement, but having been in banks myself and having sat on the other side of the desk from the manager a good many times in the past, I know that in many cases the manager writes down the answers to his own questions without consulting the fellow on the other side of the desk. The word "knowingly" would protect the innocent farmer. I should like to see it inserted if the minister has no objection.

**Mr. Howe:** I have an objection. Whether false statements are made knowingly or not is a matter of conjecture. It is a very difficult fact to prove. I think any misstatement of fact would have to be a gross misstatement such as saying that he owned property he