

I have certain examples here which might be of interest to honourable senators. Take the case of a man with 50 cultivated acres. He gets his unit of 300, which brings him in about \$370, and he gets 300 bushels, that is 6 x 50 on which he receives 50 cents a bushel, \$150. So, even with a small farm like that he gets altogether \$520 with which to carry on.

I could go on and give examples of 100-acre farms, but I do not think that is necessary. It is just a question of arithmetic.

Hon. Mr. Macdonald: Would you mind putting them on the record?

Hon. Mr. Aseltine: Well, to do so I will have to make computations here. I have only one or two examples made up. I thought they would be sufficient to show honourable senators what was meant.

Now, honourable senators, this bill does not repeal the Prairie Grain Producers Interim Financing Act, which was amended in 1957 to increase the amount of the loan that a producer could obtain from \$1500 to \$3,000. The amendment to that act was proclaimed some weeks ago, and provides for the making of loans by the banks to producers with a Government guarantee. The banks are charging 5 per cent interest for that money. Under that act in 1955 and 1956 the amount of the loans that a producer could obtain was fixed at a maximum of \$1,500. In the crop year 1955-1956, from November 1 to May 31, 10,326 loans were made by the banks. The average loan was \$764.46, and the total amount loaned was only \$8 million.

In the crop year 1956-1957, from November 1 to May 31, there were 6,117 loans made by the banks to producers. The average loan amounted to \$647.04, and the total amount loaned was only \$4 million.

The farmers do not like that system of doing business. They do not want to pay interest on the product of their own labour. So, recalling that there were 231,000 permit holders, it can be said that comparatively few took advantage of the act.

To my mind the advantages of this new legislation, compared with the old, are four. First, its benefits will be available to all producers. It is not necessary to make application to a bank or banker, with risk of the refusal one meets sometimes when one goes to a bank to borrow money. In many cases farmers who wished to borrow money under the existing act were entirely unknown to the local banker; they had to travel many miles to the nearest branch, and the manager had to investigate their entire financial standing before he could advance them any money. Under the proposed legislation advances will

be made by the elevator agent at the delivery point. In the third place the advances will be interest-free. Whereas, in the crop year 1956-57 loans for only \$4 million were made, if the present bill is passed the system for which it provides will put in the hands of the farmers between \$100 million and \$150 million, and the consequences will be of great benefit to the whole economy of Canada.

I believe, honourable senators, that I have explained the principle of the bill. I do not intend at this time to deal with it section by section; that is not, in my opinion, the proper way to deal with a measure of this kind. However, I think I should add that there are provisions to deal with producers who make default in connection with the repayment of advances, and with those who obtain the advances by giving false information. Such people will be liable to fine or imprisonment or both.

Hon. Mr. Macdonald: Does the honourable senator intend that the bill shall go to committee?

Hon. Mr. Aseltine: Yes. I have no doubt that this evening the debate will be adjourned, to be proceeded with tomorrow, and it is my intention to move, either on Wednesday or Thursday next, that as this is a money bill, it be sent to the Banking and Commerce Committee, at a meeting of which committee the honourable Mr. Churchill, Minister of Trade and Commerce, will be present.

I hope that I have explained the bill to the satisfaction of honourable senators, and if there are any questions I shall try to answer them now.

Hon. Mr. Farris: Could the honourable senator explain the meaning of section 5 subsection (1) (a)?

Hon. Mr. Aseltine: I do not see anything wrong with it.

Hon. Mr. Farris: I do not either, because I do not know what it means.

Hon. Mr. Aseltine: The producer makes his application and sets out the amount of advance payment for which he makes the application. Any points of this kind can be dealt with in committee. I do not think we should go into such matters when we are dealing with the principle of the bill.

Hon. Mr. Stambaugh: I understood the honourable senator from Rosetown (Hon. Mr. Aseltine) to state that the specified limits for oats and barley would be 15 bushels and 8½ bushels respectively. As I read the bill, the only number of bushels per acre mentioned in it is 6, which I take it would cover either wheat, oats or barley.