

to do in this regard. I ask him to do so because to-day we find the purchasing power in connection with agriculture almost entirely eliminated. Just prior to leaving the west I was in the town of Revenue in middle western Saskatchewan, and in that place I found No. 1 feed wheat selling in the pool elevator with an initial payment to the farmer of  $3\frac{1}{2}$  cents per bushel. A farmer could not begin to pay his threshing bill with that payment. I found the first payment of 9 cents paid through the pool for barley. I was informed by the member for Willow Bunch (Mr. Donnelly) that he had received a wire from Abernethy which showed that for a carload of rye shipped from his farm to the head of the lakes he received a large cheque amounting to \$3. If the farmer can get only \$3 for a carload of rye he certainly cannot buy goods. Because of that the manufacturer of the goods is not manufacturing them.

I notice that the Minister of Agriculture while at the Toronto Exhibition made the statement that he was out at all times in the interests of Canadian agriculture. I wish to congratulate him upon that statement. Naturally the farmers of Canada expect their Minister of Agriculture to take that attitude. He stated also that he was attempting so to arrange it that we could dispose of some of our surplus dairy cows by sending them to the Argentine. That point was touched on to-day by the member for Labelle. Those of us who had the privilege to sit in the last parliament will remember that the opposition pointed out that the dairy cow did not hold the position in Canada at that time that she has held under previous administrations. Now they propose to create a worse condition by shipping the dairy cow out of Canada. However, I see that the Prime Minister is anxious to speak.

Mr. BENNETT: Oh no.

Mr. VALLANCE: I would like to ask the Prime Minister on behalf of the farmers of western Canada if he has any suggestion to make in regard to the tenth recommendation of the council which he called together.

The CHAIRMAN: Is it the pleasure of the committee to adopt the resolution?

Mr. VALLANCE: Surely the Prime Minister, after calling that conference together, is in a position to tell the farmers of western Canada, indeed, of all Canada—and the farmers form a large proportion of the total

population of this country—what he thinks with regard to a recommendation of that kind, even if he cannot carry it out.

Mr. REID: I would ask the Prime Minister a question that affects the municipalities. Large sums of money have already been paid out this year by some of the municipalities in my constituency to help the unemployed and for the relief of distress. Municipalities, as many hon. gentlemen know, receive the bulk of their taxes direct from land taxation, the burden of which is now oppressive and causing many to forsake their holdings. As a matter of fact, the six municipalities that I have the honour to represent have liabilities of well over six millions of dollars. Municipal councils are restricted by statute as to their spending, being limited to the amount of taxes received or to the tax levy for the current year only. Further, the provincial government cannot lawfully spend money on municipal roads, its efforts being restricted to classified highways only. That is the practice in British Columbia. In view of the fact that fall and winter are fast approaching, with a consequent increase of unemployment and distress, and in view of the further fact that municipalities now find themselves with their restricted finances depleted, if not entirely gone, I would respectfully ask the Prime Minister, how are these municipalities going to take care of their unemployed from now on, and what procedure must they adopt in order to participate in this expenditure of \$20,000,000, in view of all the circumstances which I have just stated? This is a very important matter to the constituency of New Westminster, and I should like to have an answer from the Prime Minister.

Mr. YOUNG: This proposal to take \$20,000,000 of the taxpayers' money and spend it on public works and other things to relieve unemployment is fundamentally unsound. It will not relieve unemployment. It will not relieve the smallest fraction of unemployment. After you have done all this work, you will find more unemployment in the country than you had in the beginning.

What is the cause of unemployment? The hon. member for Wetaskiwin explained it very clearly the other night. He explained that the real cause of unemployment is that the people have no purchasing power. Why are our factories idle? Because people are not buying goods. Why are our transportation companies laying off their men? Because people are not buying goods. Why are our merchants laying off their clerks? Because