

sustained considerable losses. Some of these farmers were not in a position to stand such losses and have had to quit their farms and go to the cities, thus increasing the number of unemployed. I wonder if the Department of Agriculture could not be a little more generous with the farming community and increase the indemnities paid for cattle which prove to be reactors in the tubercular test. I suggest that the minister increase this indemnity by at least 50 per cent in the case of cross-bred cattle and 25 per cent in the case of pure-bred cattle. The present indemnity is two-thirds of \$150 for the pure-breds and of \$60 for the cross-breds, and I think every hon. member will agree that this indemnity is not sufficient. During the fiscal year ending March 31, 1930, out of a total vote of \$2,450,000 the owners of cattle slaughtered under these regulations received a total of \$669,651.05, the average indemnity for pure-breds amounting to \$77.10 and to \$32.58 for the cross-breds. If we estimate that the pure-breds amount to 20 per cent and the cross-breds to 80 per cent of all the cattle, the increase would be almost \$300,000 a year, basing the figures on last year's returns. This eradication of bovine tuberculosis being a question of public interest, it is only fair that the sufferers should not bear more than their fair share of this loss. What is an increase of \$300,000 a year in the estimates of the Department of Agriculture, which has to do with the great basic industry of this country, when you look at the grants made to other departments? Just look at page 4 of the main estimates and it will be seen that my suggestion is not unreasonable.

Referring to agricultural conditions in this country, I believe hon. members will remember that a few years ago at the request of a certain group in the house for the establishment of a rural credit system similar to that which has prevailed in Europe since 1770, this government appointed Doctor Tory in 1923 or 1924 to study the European and United States systems. The results of his survey were submitted to this government in 1924 or 1925, and it was recommended that a rural credit system of long term loans should be established. A bill was introduced in the house in 1926, but because of the tragic ending of that session it did not pass. At the following session we had a bill from the Senate, which passed this house, and the Canadian Farm Loan Board was established under the provisions of chapter 66 of the revised statutes of Canada.

This board was a long time organizing, but finally it began its work in the early part of 1929. In the bill the rate of interest was not specified; that matter was left to the board.

These credits having been established to aid the farming community by making loans at a reasonable rate of interest, the prospective borrowers in Quebec were greatly disappointed when the board announced that the rate of interest would be 6½ per cent, while the average rate prevailing was only about 5½ per cent. Protests were heard everywhere in Quebec, but so far no action has been taken. On March 20, 1930, I placed a resolution on the order paper recommending that the rate of interest be reduced by one per cent, but unfortunately my resolution was not debated. On April 10 a petition was addressed to the Minister of Finance signed by ninety-five members of the house requesting that the rate of interest charged by the board on loans to farmers should be decreased by one per cent, but this also was without result.

In all fairness to the farming community I make the assertion that our request is only reasonable. The rate of interest is too high; the farmers cannot afford to pay 6½ per cent. Profits are too small in agriculture; if it were otherwise you would see the big financiers of St. James street operating farms. Look at our experimental farms; do you think they make any profits? The public accounts for the fiscal year ending March 31, 1929, show that \$1,887,037.30 was voted for experimental farms, and in the same volume will be found an item showing that experimental farm produce sold for \$171,359.80, leaving a discrepancy of \$1,715,677.50. I do not wish to cast any reflection on the management of the experimental farms; I know that work is carried on by the most honest people in this country, but I use this illustration in order to show the force of my argument.

I will go to another source for information with respect to the profits made from agriculture. I hold in my hand bulletin No. 98, published by the Department of Agriculture, relating to a survey made in six counties of Quebec by Mr. F. A. Ste. Marie, B.S.A., of the division of animal husbandry. That survey is for the year ending June 1, 1920, and I see at page 6 of the bulletin a table which shows that the average annual profit on 1,148 farms which were thoroughly surveyed amounted to \$463. That represented the total annual wages of the owner of the farm, of his wife—because you know the wives help their husbands on the farms—and of the children under fourteen, who also work in the farming communities. Just compute the capitalization of these farms, where there is no watered stock. It happens that the total actual capital engaged amounts to \$22,618,451, including the value of live stock and farm implements. This capital yields the enormous