

*The Address—Mr. Harkness*

That is the actual situation which exists in western Canada despite the statistical speech which was given yesterday by the Minister of Trade and Commerce. I think I have shown that an immediate need for credit does exist and the situation demands relief. It is very easy for the Minister of Trade and Commerce to sit here in Ottawa in a well-appointed office, look over a lot of statistics, and then say everything is just fine, there is nothing to worry about, and that the western farmer has received more money in the past three years than he has ever received in any previous three-year period.

The minister said yesterday that the farmer does not need any special credit facilities provided for him. Well, it is a very different matter when you get down to actual individual cases on the prairies where in fact a desperate need does exist. The minister, of course, is notoriously optimistic about other people's troubles. He has been that way ever since I have been here. That optimism, however, is not of much use to the man who has no money to carry him through the winter and who has a number of creditors who are pressing him for payment for groceries, gasoline, repairs to machinery and so on. That farmer is sitting there with sufficient grain on his farm, in his granaries, to meet those debts and carry him through the winter, but he cannot sell his wheat. The government controlled grain-handling facilities cannot take it off his hands and, in many cases, he cannot get any credit for it.

The minister's reply is that if the man is sitting there with grain, let him go to the bank and borrow money on the security of his grain. That is very easy to say and, in fact, a large number of farmers can and will do that. They will be farmers who are perhaps long established, in a good position, who have their land paid for, have their machinery paid for, and probably have some bonds or something of that sort. In other words, those whose general position is excellent would have no trouble borrowing from the bank. Most of them, however, would not need to go to the bank. Most of them could carry themselves. They are not the sort of people we need worry about. There are many others, though, whose need is great and who cannot get bank credit.

I agree with what the minister said regarding the general basic financial position of western farmers. It is as good right now as probably it has ever been; but, at the same time, there are large numbers of farmers who have had misfortunes of various sorts. Perhaps they have not had misfortunes but are people who started farming in the last

two or three years and have not had time to establish themselves. They have no backlog behind them.

It is expensive to go into the farming business at the present time. A young fellow who wishes to farm must have large financial resources behind him and be able to obtain extensive credit. He cannot begin farming on a shoestring. There are many people who have gone farming in the last two or three or four years who have not yet had time to establish themselves and their bank credit is not good, although their basic situation is all right. They may have had the misfortune to be hailed out last year or the year before, or even both years, and those are the people who need bank credit and money advanced to them against the grain on their farms. They cannot get that credit and their position requires immediate relief. Their need is desperate and I think the government has a responsibility to correct the situation.

It is all very well for the minister to say that over \$1 billion will have been paid to western farmers by the end of this current year and, therefore, there is no need for special credit facilities. That is just the same as saying that \$1 million may have gone into a certain village of 100 families, and therefore, as every family in that village has had \$10,000, there is no need to worry about them. The fact may be that 30 of those families have had an income of less than \$500 and are in desperate circumstances. It is the same sort of thing again to say that western farmers as a whole will receive a certain large amount. That may be so, but it does not take care of a large number of those farmers who are in very serious need of a cash advance or credit on the grain which they have on their farms. I do not think there is any question about it. Some special credit facilities are necessary for prairie farmers.

Some of the eastern members of this house often refer to such matters as being handouts to the west. I believe this is a straight business proposition and should be treated as such. It is not a matter of the west saying that the country as a whole should help them because they have had hard luck. It is a straight matter of making cash available against a definite asset which is there, and which will bring in far more than the money which is asked to be advanced on it.

In his speech yesterday the minister said that losses had been experienced by the treasury when bank loans to farmers were guaranteed two years ago. By saying that, and giving the amounts, he sought to give the impression that guaranteed farm loans at the