

motives, this great expansion in wheat production took place during the last war. On going over some of the records, I find that wheat acreage in 1914 in the prairie provinces was 9,335,400 acres. In 1918, at the conclusion of the war, it was 16,125,451 acres. In 1939 it was 25,813,000 acres, and in the last year, 1940, it was 27,750,000 acres. Therefore, by far the greatest expansion has taken place since the last war.

In the last two years, when international prices were tumbling because of oversupply, Canada has increased acreage by 11½ per cent, while the rest of the world has been reducing acreage by 10 per cent. We must, therefore, face, in some manner, the issue of wheat production. More than that, while the peoples of the world procured their wheat requirements from an average of seventeen acres out of every 100 cultivated acres, we in Canada have been attempting to produce wheat on every sixty out of 100 cultivated acres in the prairies. That should convince us that we ought to cease burying our heads in the sand and face the situation.

Whether we like it or not, the economy of western Canada is facing a radical change at this time, and we must give some thought to what lies ahead of us in this regard. In the four-year period from 1925 to 1928 inclusive, we produced in the prairies 1,745,000,000 bushels of wheat. At that time the index purchasing power was 96 compared with 100 in 1913. In the recent period, from 1937 to 1940, we produced 1,511,000,000 bushels, and the index purchasing power was 50.2. In other words, in the previous four years, 1925 to 1928, we produced a quantity in excess of this year's quota requirements, and the price was still considerably more than the index is now at this particular time. Moreover, in 1928 Canada was supplying 40 per cent of the world's exports of wheat, according to the Sirois report, book I, page 144. Therefore, at that time, before people were preparing for the war—and they have been doing it for the past ten years—this unusually large surplus threatened a slump in the prices. Germany, Italy and France began to erect tariffs of \$1.62, \$1.07 and \$1.85 a bushel respectively, which added to our difficulties during that time.

The hon. member for Portage la Prairie suggested that the chap who operated the tractor was more responsible for our difficulties than anyone else to-day, and there is some truth in that statement. I would point out, however, the great transformation that has taken place in agricultural production in

[Mr. Fair.]

recent years. Mechanization has affected that production to a considerable extent. The following extract is illuminating:

It is stated on good authority that in 1830, unaided by machinery, it required about 57 hours of man labour to grow and harvest an acre of wheat yielding 20 bushels. The introduction and use of machinery brought the hours of labour required to grow an acre of wheat down to 3.3 in 1930.

It has been accelerated since then.

Having once made the change from horses to tractors, land formerly used for forage, pasture and coarse grains is converted to wheat production to obtain a larger cash crop, and one which can best be depended upon where rainfall is scarce.

I quote still further:

Notwithstanding criticism to the contrary agriculture has kept pace with industry so far as efficiency is concerned. In the United States between 1910 and 1930, output per worker increased 39 per cent in manufacturing and 41 per cent in agriculture. A long-range contrast shows that 150 years ago it took 19 persons living on farms to produce enough for themselves and for one person in town. To-day 19 persons on farms can produce enough for themselves and for 66 living in towns. That condition is undoubtedly comparable with the situation which obtains in this country as well.

People have been forced into mass production by machinery owing to the necessity of having to reduce cost of production. According to the *Canadian Cooperative Farm Implements Journal*, a binder in 1913 sold at Regina for \$167, and it took 261 bushels of wheat to pay for it. In 1936 the same binder sold for \$281, and required 319 bushels to pay for it. In 1940 it sold for \$340 and required 637 bushels to pay for it. That is conclusive proof of the position into which producers have been forced, to some extent perhaps against their better judgment.

Since the outbreak of war, labour in this country has been placed in a highly protected position. Those in industry are protected by the government of the day, but agriculture is left to look after itself. The farmers would be content with the prices that prevailed before the great depression. They would be more than content; they would be delighted if returns from farming were on the basis of 1929. This government has seen fit to place labour on the basis of the wages prevailing from 1926 to 1929, plus any increase which may be brought about during this war effort. The yearly average of agricultural prices on this basis, taking Winnipeg as the index, would be as follows:

Wheat	\$ 1.20
Hogs, live weight.....	11.00
Cattle, best killing.....	9.20
Butter fat.....	.40