

in Eastern Canada who criticize the Wheat Pool for its action in 1929 and 1930. As a matter of fact the Pool handled fifty-one per cent of the wheat; in other words, at the end of the wheat year, July 31, 1930, it had sold 13,000,000 bushels more than the grain trade had sold of their share of the wheat handled.

In 1930 there appeared in the press of Western Canada a letter over the signature of the president of one of our largest chartered banks, declaring that the Wheat Pool president, the late Mr. Macphail, was doing the proper thing in holding wheat for \$1.50 a bushel. My honourable friend from Saskatchewan (Hon. Mr. Aseltine) says he farms as a hobby. It has been a serious business with me all my life, and I have had to pay particular attention to it or I should not have been able to raise my family. Naturally we in the West take advice from anyone in Eastern Canada who, we think, has a better grasp of world conditions than we have. I believe that as a result of the advice contained in that letter a million dollars was gambled on the grain exchange from the little town where I live.

My honourable friend from De Lanaudière has informed us that our banking system is perfect and that we do not need a Central Bank. I believe we do need a Central Bank. Certainly we need some control of credit. At a time when cattle were selling at nine cents a pound I, as well as other farmers, was advised by our local bank manager to buy a hundred head of cattle, as the bank was desirous of lending money for the purpose. After feeding those cattle all through the winter we had to sell them the next year at four cents a pound. As a result many farmers lost everything. Last fall when cattle were selling at one cent a pound there was no money available for the purpose of feeding them, although there were thousands of tons of feed and any quantity of low priced grain for sale all over the northern part of the three Western Provinces. The honourable senator told us that the banks were lending only depositors' money and therefore took no chances; that, no matter what a man's reputation might be, they would make advances only on absolutely secured loans. If that were the case, there would be no such thing as a poor loan. Then why charge more interest to one man than to another? The poor man had to pay from nine to ten per cent interest for his money while the well-to-do man got his loan at seven per cent. I submit that this is wrong in principle.

Certain persons in Eastern Canada complain that many farmers in the West are not

Hon. Mr. HORNER.

making an effort to pay their debts. I remember that in the early days the homestead inspector in my district, in addition to discharging his official duties, was handling money for two mortgage companies. He called on me, as he did on several other young men, and pressed me to take a loan on my place. Later on, after good years, the companies who had money that they wished to lend hired the best men available and were competing with one another to place that money. Very often they pointed out to a man that if he wished to be progressive he ought to buy some machinery. So the farmers were encouraged to take loans.

In the northern part of Saskatchewan there is room for a great number of settlers. The honourable leader of the opposition (Hon. Mr. Dandurand) was asking whether settlement was going on. I believe that during the past summer fifty thousand farmers moved from the southern part of the province to the northern section. I do not altogether agree with the honourable member from Vancouver (Hon. Mr. McRae) that the whole southwest portion of the province is bad. Take the Milestone area for instance. The people there were on relief, but for thirty years they had not known a crop failure. I was talking to one man who said he had gone into that district with \$2 in his pocket, that he had later spent nine winters in California, \$55,000 had gone in bad investments, and he still owned two sections of the finest land in Canada and did not owe a dollar on it. The local member from Milestone was complaining of the hardship there. I said: "Some of you men must have cash. What about such and such a man?" "Why," he said, "he is on relief." That district suffered severely from the drifting of the soil. It had previously been so prosperous that the people had no more thought of saving money than you would have of taking a pail of water out of the Ottawa River for fear it should go dry. They thought that all they had to do was seed a crop and they would have plenty of money to carry them along.

My honourable friend opposite (Hon. Mr. Casgrain) said that we had prosperity under Liberal governments and depression under Conservative governments. I should not like to admit that. It may be true. The Liberal governments acted like a man on a rented farm, and took advantage of the situation to plunge the country into debt; then the Conservative governments, when they came into power, had to pay up. We were well served in Northern Saskatchewan by the Canadian National Railways, but under the Liberal