

Mr. QUELCH: If our actual cost of production was from 30 to 40 cents a bushel, we would be tickled to death to get 60 cents a bushel, which would give us a profit of from 20 to 30 cents a bushel. To my mind, however, the proceedings of the Bracken western conference go to show that the cost is considerably in excess of 30 to 40 cents.

I should like to deal with this question from a slightly different angle. On page 151 of the proceedings reference is made to the cost of producing a similar number of bushels per acre. This reads:

On the basis of average yields of wheat of 20 bushels per acre (1918-1930) for the Regina plains and Rosetown area the costs of production are approximately 55 cents per bushel for the half section farm, 44 cents for the section farm and 34 cents for a two section power farm with tractor, combine and truck. This two section power farm is the most efficient wheat producing unit which it is possible to set up. Probably not more than one per cent of the farms of the west are as efficient as this.

According to that, the Minister of Agriculture was ninety-nine per cent incorrect in his statement, because only one per cent of the farms in western Canada are of a type to permit the production at a cost of 34 cents. According to the figures given by Professor Hope, the minister was twenty-seven per cent wrong in his cost of production figures for a half section. He was ninety-nine per cent wrong in his general statement and twenty-seven per cent out on his limit of price.

The statement goes on to show that in the Wellington area the average yield was 13.6 bushels per acre and the cost per bushel 71 cents for the half-section farm and 50 cents for the section farm. In the Gravelbourg area the average yield was 13 bushels to the acre and the cost of producing wheat was 70 cents for the half-section farm and 50 cents for the section farm. That is not including debt charges. It must be remembered that no bonus would be paid in any of these cases. Under the bonus plan a man must have twelve bushels or less to the acre, whereas here the average is thirteen bushels to the acre. With an average price of only 70 cents a bushel f.o.b. Fort William, the farmers will be selling at a price considerably below the cost of production. If we include debt charges, then the condition becomes even more unfortunate; it would be impossible for a farmer to meet his costs and pay his debts. The best he could do would be to pay approximately fifty per cent on them. It is all very well for the Minister of Agriculture to say that the farmer will have to wait until he has a good crop at high prices. When you consider the prices which have prevailed over a period of six years it stands to reason

[Mr. Speaker.]

that the farmer's debt charges are going to mount up to such a height that it will take an equal number of years to liquidate them. Unfortunately we very seldom have a good crop at good prices, nor do we have good crops for a sufficient number of years to make it possible for the farmer to liquidate his debts.

I was amazed at the action of this government in proposing to reduce the guaranteed price from 80 cents to 60 cents. In so far as the wheat board is concerned they have raised the price from 60 to 70 cents, but it must be remembered that yesterday we passed Bill No. 82 which provides for an initial payment of only 60 cents to the pools. I maintain that we are paving the way for doing away with the wheat board. I think that is the objective of the Minister of Agriculture. When the wheat board has been done away with, there would be provision for only a 60 cent initial payment to the various pools. We would then be back to the position in which we were before this last bill was redrafted. Realizing that such a reactionary government as this would not guarantee a price anywhere near the cost of production, public opinion in western Canada has finally swung in behind the recommendation of the Bracken conference for a price of 80 cents. They do not believe for one minute that that will guarantee the cost of production, but they realize that it is good strategy, when you cannot advance to your objective, at least to consolidate your position and try to hold what you already have. For that reason western Canada has swung in behind the Bracken conference recommendations. As hon. members know, that conference was composed of men who were fully representative of western Canada, such as farmers, business men and those connected with the grain trade. That conference made probably the most exhaustive study that has ever been made of this matter, and it came to the conclusion that if disaster was to be averted a price of at least 80 cents per bushel would have to be maintained. In spite of the evidence that has been submitted, this government proposes to sabotage agriculture by allowing prices to fall below the level that was maintained during the depression years of 1930 to 1933. The average price during those years was 43 cents a bushel; with wheat at 60 cents a bushel at Fort William the average price would be lower.

Mr. GARDINER: The average price in the last three years is 89 cents.

Mr. QUELCH: The average price in the depth of the depression was 43 cents a bushel, as will be found at page 257 of the Canada