

Grain

needs of agriculture, why is it brought into this house? The answer is this very simple fact. Not only do 200,000 farmers need cash at the usual time of year when they pay their bills but there are several thousand merchants in western Canada who cannot operate much longer on their credit until this system comes into effect. This also includes the working men and the implement factories of central Canada who benefit directly as the western farmers and all farmers benefit.

I am going to read to you tonight in statistical form just what the situation is. I am going to give to the house the amount of money received through wheat board payments, by groups of months in western Canada, so that members of this house who represent all Canada, not just western Canada, can see what the situation is with seven simple figures. I am taking the amounts of money for the months of August, September, October and November that usually go into the hands of western farmers to meet their needs for operations, taxes, buying of clothes and books for their children and so on; in other words, the ordinary needs of the farmer at the ordinary time of year when he meets his bills.

In the year 1951-1952—that is the crop year—in the months of August to November, the farmers of western Canada, which includes Peace river, received \$305 million in wheat board payments, which include the initial payment and subsequent payments. In the year 1952-1953 they received \$381 million in this four-month period. In the year 1953-54 they received \$328 million. During these three years an average of \$338 million went into circulation in western Canada and was passed on to eastern Canada to pay our bills in every fall in those years in that four-month period.

Now those were fairly good years for crop production in western Canada but this represents the type of thing that was going on. Listen to these figures: in the year 1954 to 1955 the figure had dropped to \$159 million; in 1955 to 1956 it was \$119 million; in 1956 to 1957, \$183 million; and this year it was estimated at \$147 million, or an average for the last four crop years in western Canada of \$152 million. This amount of money was going into circulation in a four month period to meet bills that ordinarily amount to well over \$338 million, the average in the three years 1951-54.

The difference between the average in the three years I first quoted and the four years I have just mentioned is \$186 million a year. In other words there is \$186 million short in these four months an amount usually used by the farmer to pay his bills. Now there is

the sound economic need in a nutshell; there are the figures which tell you why the merchants urgently wish to see this bill come into effect; that explains why the business man is anxious to see it come into effect, and it certainly explains why the farmers are anxious to see it come into effect.

This is the cash advance suggestion we are putting before the house to meet this situation by putting into circulation a certain amount of money. I have heard this figure kicked back and forth in this debate today between the various parts of the house. The Minister of Trade and Commerce thought that between \$100 million and \$150 million would go into circulation as a result of this bill going through. That is in addition to the amount of the unit quota which usually runs around \$69 or \$70 million.

Now if you look at the figures there are 62 million acres in western Canada called specified acres. If you multiply that 62 million by the figure of six you get a figure of 372 million bushels which is the number of bushels that would be the highest level on which you could expect to advance cash; that is to say 372 million bushels at 50 cents which comes out to \$186 million. So that the highest possible figure for the advance is \$186 million which is almost identical with the difference between the amount of money that used to go into circulation in the first three years I quoted from 1951 to 1954, and the last four years. This is an effort to meet and fill the gap where there is a real economic need on the part of the farmer, the business man and the people of Canada. It is on that issue and for that reason that this bill has been put forward.

I am not going to go into the details of this bill. We all know that the unit quota of 500 bushels for barley and 800 for oats goes along with the 300 bushels for wheat. I can see that this whole matter illustrates the fundamental need in western Canada which has grown over the last seven years and which has not been met. All this government is trying to do in bringing in cash advances for western Canadian farmers is to meet this fundamental need. In this bill, if you look at it with your hearts as well as your minds, you will see that we have put our faith in the honesty of the western farmers.

If we had tried to evolve an advance system based on all the technicalities involved and to meet every loophole of which the dishonest person might try to take advantage, we would not have a cash advance bill brought in for another year. We have produced a simple bill, using the same system the farmer has always used and we have