

It is not fully realized that, as a result of direct action and encouragement by the Government, there has been a substantial increase in the elevator storage capacity in Canada in recent years, thus adding to delivery opportunities. Since August, 1953 an addition of 2 million bushels has been made to The National Harbours Board elevator at Halifax and a 2.5 million bushel addition to the elevator at Churchill. Since August 1st, 1953, the Government has offered accelerated depreciation to elevator companies which add to their capacity, either in the country or at terminals. Adding it all together, elevator capacity has increased by 39½ million bushels in a little more than two years.

Recognizing that deliveries will be relatively slow in the early part of this crop year, the Government has decided to make advances available to producers through the banks, as was done in 1951 and 1952. The banks have agreed to begin making advances after November 15 even though the legislation which provides the guarantee cannot be approved by Parliament until the new session, which begins after the turn of the year. The purpose of this legislation is to ensure that some cash is available in advance of delivery to producers who have grain on farms available as security, but who cannot obtain loans in the ordinary way from the banks. The maximum amount of loan to any one producer will be \$1,500. It is also provided that only half of the proceeds of subsequent deliveries must be applied against repayment, leaving the producer with current income from grain delivered during the period of repayment.

The Government examined several alternative proposals for making advances available, and came to the conclusion that the method used in 1951 is still the most satisfactory. I am glad to note that several of the Pool leaders agree with me that it would not be wise to get the elevator agents mixed up in the business of making loans, either on account of their own companies, or on behalf of the Wheat Board. They would have exactly the same problems as the banks, plus some others as well, without the training and experience in this complex business.

Mr. Chairman, I have tried to outline our grain marketing problem as I see it. We face a difficult year - for the Wheat Board, the Transport Controller, the Board of Grain Commissioners, for grain handling companies, and, needless to say, for the Minister of Trade and Commerce. Those who wish to be unhelpful in solving our problem, by condemning our marketing system, will have plenty of ammunition for their attack. I hope that those who believe that we are following the right course will be equally vocal.

I believe that, in spite of current difficulties exports will be fairly well maintained for the whole crop year, that price levels will not collapse, and that producers will be able, by the end of the current crop year, to deliver to the Wheat Board the equivalent of a good average crop.

I will make one promise binding on the Government and on the Wheat Board, namely, that nothing will be left undone that can be done toward converting grain into cash as quickly as possible.

