

Supply—Agriculture

be pleased to give what information I can with regard to the matter; but, with regard to the south Saskatchewan river project, I would suggest that the questions asked have to do with next year's estimates. The estimates we are dealing with at the present time are the estimates for the financial year 1949-50. As is understood by hon. members who were here in the first session of this year, we had advanced to us sufficient to carry us through the first six months. In other words, half of this vote is already spent, and any part of the other half that is going to be spent will be largely spent within the next two months because out in our country it will freeze up two months hence. We are pretty well on with our expenditures of the sum of money that is herein involved, as has been suggested for expenditure on the south Saskatchewan river project. We have placed in these estimates, and we have spent a considerable part of it already, \$2 million for the purpose of determining finally whether this project is a feasible one or not. I am sure the hon. member will agree with me that until we get the report on that expenditure, which is being prepared at the present time, it will be impossible for me to give reasons for any opinion I may hold with regard to the future development of the project. It will be necessary also for me to discuss with the government the possibility of getting a vote next year to proceed farther than we have gone before I can make any statement to the committee on that matter. So I would suggest to the hon. member that when we get down to that item—I hope it will be through before he comes back, but there is some reason for thinking it may not be—I will give whatever information I can, but I doubt very much if it will be much more than I have just now given, unless it be that I am able to account to the house for the expenditures which have been made up to the present time in connection with operations this year. I agree with the hon. member that those operations have been somewhat extensive, particularly in his own constituency, but that is only because the site of the dam is located in his constituency.

Mr. Diefenbaker: No mistake was made.

Mr. Gardiner: If it were in my constituency, there would be just as much spent.

Then on the other question having to do, not with prairie farm assistance direct but with the shipment of grain into the drought areas, I should just like to remove the implication in the one suggestion that there is any relationship whatsoever between the freight rate paid on grain out of western Canada into the eastern provinces and out of western

[Mr. Gardiner.]

Canada into British Columbia, and any freight which might be paid by this government or any other government on assistance given because of drought in western Canada. As a matter of fact, my understanding of the position is that we have a special rate on grain being shipped out of western Canada eastward and westward if it is going out of Canada. In other words, we have a long-standing arrangement—I am speaking now from memory and may not be exactly correct—which I think is based in part at least upon the Crowsnest pass agreement, which gives extremely low rates on the shipment of grain in Canada, both east and west, if it is on its way out of Canada.

Those low rates on that grain going out of Canada created a condition under which it was costing more for farmers in the maritime provinces and in British Columbia to get feed grain to be used on their own farms, if it was produced on the prairies, than it would cost the Chinese to get grain to feed the chickens over in China to produce eggs to sell in competition with eggs produced in British Columbia, and more than it costs the people in Denmark, Britain or elsewhere over in Europe to get feed grain with which to feed livestock to produce livestock products which would be sold in competition with those which are produced in the eastern part of Canada.

Under those circumstances, until such time as there is a consideration of the equalization of the freight rates on grain and other commodities being shipped from western Canada to other parts of Canada and vice versa, and until that matter has been determined, an appeal was made that the federal government should give some assistance toward paying the freight on the grain that is moving into those other parts of Canada. That, I repeat, is a reason and a condition that has no association whatsoever with the fact that we sometimes have drought in western Canada.

Coming back to the question of what should be done under the circumstances, since we have drought and since assistance must be given by someone in order to see to it that grain is available for the feeding of livestock in the drought areas of the west, I may say that that has always been considered to be a provincial problem. The basis upon which it has been dealt with in the past is that, when those conditions have arisen, the province has gone to the railways and has made an arrangement under which the grain has been shipped into those areas at lower rates. The basis on which the railways assisted in years gone by was this. Where the farmer paid all of the cost of the grain which was shipped to him, he paid the freight too. But where the grain was given to the farmer because of the