

Grain

In Saskatchewan, Manitoba, Alberta and the Peace river country the Prairie Farm Assistance Act applies. If there is a widespread crop failure farmers receive some money without any necessity whatsoever of repayment. If there had been an amendment to the Prairie Farm Assistance Act whereby a farmer who, in the spring, has to burn his crop or plow it under, would get even \$2.50 per acre as provided under that act, he would receive more actual benefit than he can under this legislation.

As the hon. member for Acadia (Mr. Quelch) has said, \$1,000 is not very much money in this day and age. The amount of the loan should have been higher. I believe it should have been at least \$2,000. One farmer who will have difficulty under this measure is the one who has already harvested and delivered \$1,000 worth of grain. I know that farmer, in common with all others, will have spent the \$1,000 long before the grain has been threshed. No doubt he has paid part of it to the municipality for taxes, part of it for groceries, part for gasoline and repair bills in the local town, and part to meet other obligations. The man who has threshed \$1,000 worth of grain is probably broke today. If he has another \$1,000 worth of grain out under the snow he will not be able to obtain any assistance under this measure.

As I have said already, I hope the farmers of western Canada will not have to avail themselves of the provisions of this measure. I hope they will be able to get the ordinary type of bank credit, or that they will be able to get credit through their credit unions. If a farmer gets credit under this legislation he places himself in a financial strait-jacket until the loan is repaid. The banks are risking nothing under this measure; they stand to gain. The government is risking very little.

The situation faced by many farmers is an emergency, and I think in the main they would have been better pleased had the government considered this to be a real emergency and provided some actual financial assistance. The least the government could have done in this emergency was to arrange to pay the interest on these emergency loans, at least for eight months.

Mr. M. J. Coldwell (Rosetown-Biggar): Mr. Speaker, I am glad that when introducing this bill the minister made it quite clear that this is nothing in the nature of a handout.

Mr. Howe: Quite.

Mr. Coldwell: The government is well protected; the banks are well protected, and the western farmers are going to meet their obligations in the manner in which they have always met them.

Right Hon. C. D. Howe (Minister of Trade and Commerce): Mr. Speaker, the leader of the C.C.F. (Mr. Coldwell) has described the situation exactly. The purpose of the bill is to place farmers who have for one reason or another been unable to deliver any grain in the position they would have been in had they been able to deliver one thousand bushels. We were asked for this legislation; a number of hon. members stated the position in their own constituencies and said this type of relief was needed. At the same time they made it very clear that they did not want a handout. In other words they did not want any loan treated as disaster money, as the hon. member for Assiniboia (Mr. Argue) wishes to treat it.

It is not that kind of help that is needed in western Canada. We have had the largest total crop of grain in western Canada in our history. Some time before next spring about 97½ per cent of that grain is going to be harvested and marketed, and there is going to be more money in western Canada at that time than probably there has been from any single crop. That is the situation; it is not a disaster situation. However, it is a calamity for those farmers who have not been able to harvest any grain or who, if they have harvested, for some reason or other have not been able to deliver any grain. The problem was to make it possible for those farmers to be in the same position as though they could deliver 1,000 bushels of grain. We will do that by advancing \$1,000 against grain in the fields or in storage.

The suggestion has been made that the operations of many farmers are too small and they will not be able to take advantage of this legislation. Each farmer has in his possession a document which shows his exact position, his delivery permit book. It shows his seeded acreage of each type of grain. If that permit book is brought to the bank and it shows that he has a certain acreage and has not delivered any grain, he is able to make out a prima facie case for obtaining a loan. It will be quite easy for a bank to check up on the position in that district. A banker can telephone the country elevator operator or go out and look at the farm himself. Unless he has good reason to believe that something has happened to that grain which is not general over the district, he is pretty well bound to make a loan.

The bankers whom we met accepted that responsibility. I may say that they were not keen to take on this business, but they accepted it as a public service, knowing the