

plains and Rosetown area the costs of production are approximately 55 cents per bushel for the half section farm,

The minister said, in the speech from which I quoted a while ago, that it was greatly to be desired to have people living on half-section farms. I am not disputing that; I am simply saying in all seriousness that this legislation will induce people to go on large farms. The minister is going to miss his point by putting through the legislation as now contemplated. Professor Hope continues:

—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.

The minister has always contended that we were including debt charges in the figures we were giving, but that figure of 55 cents does not include that cost. Further down in the same paragraph Professor Hope says:

The cost plus interest charges per bushel of wheat would amount to an average of 72 cents for the half section farm.

It may be taken that Professor Hope did not include those in his estimate. The Minister of Agriculture contends that debt should not enter into the cost of producing wheat. Probably it does not enter into the actual cost, but in every industry, no matter how large or small, debt charges are always allowed for. These industries allow not only for a profit, but for large salaries for the executives, and surely the farmer should be entitled to that. Agriculture should be put on a business basis so that the farmer may be able to pay his debts. A year or so ago the dominion made a contribution of something like \$18,000,000 to provide for debt reduction in the province of Saskatchewan, and Professor Hope refers to this debt situation, on page 151 or 152 of these proceedings. He states that the situation in Saskatchewan is practically the same as it was before this contribution of \$18,000,000 was made. The debt was reduced by that amount, but because of the fact that the farmers have had no crops in the last two years and have had to produce at a loss, because they have not been able to meet their payments on their machinery or pay their rent, if they were renting, their debt is now up to where it was before. The minister says that we should not take that into consideration, but I think it should be considered.

Mr. GARDINER: I did not say that.

Mr. JOHNSTON (Bow River): I mean in setting this price. I think the minister is wrong there; he should include this.

[Mr. C. F. Johnston.]

Mr. GARDINER: I did not say that that should not be taken into consideration in setting this price.

Mr. JOHNSTON (Bow River): The minister said that interest should not be included in the cost of raising wheat.

Mr. GARDINER: I simply said that interest was not included in the cost estimate of from 30 to 40 cents per bushel.

Mr. JOHNSTON (Bow River): Why should it not be?

Mr. GARDINER: I do not know. I did not make that estimate.

Mr. JOHNSTON (Bow River): I think the minister should base his calculations on his own figuring and upon figures that are substantially correct. Those figures should include one of the main considerations of the western farmer, his debt charges. In my resolution, which I believe was considered on February 27, I suggested a price of 95 cents. I should like to quote a conclusion arrived at by Professor Hope as reported on page 152:

Conservatively it would require with average yields a farm price for wheat of average grade of about 90 cents,—

That is a farm price, not the Fort William price.

—with coarse grains in proportion to maintain a reasonable level of living and service the present debt on western farms. It would require somewhat more than this to restore the farming community to the condition of 1931.

In the light of the present world wheat situation a further drastic debt reduction policy is a partial solution of the western farm problem.

It has been suggested that farmers should learn how to live on a lower standard in order to meet the present debt situation. But any policy that compels such a solution does not solve the problem if we hope to maintain our present social system.

I think that sums up the situation very well. These are things which should be taken into consideration. Are we going to permit the western farmers to continue to raise wheat and live in the hovels in which some of them are living? Or are we going to give them a decent and fair standard of living so that they may be respectable citizens? That is the point Professor Hope was making, that they should be given, not barely sufficient to get their costs, but a little more so that they might enjoy some of the luxuries enjoyed by the big industrialists down here in the eastern part of Canada and by some of the medical doctors throughout Canada. I cannot for the life of me see why farm life should be made so unattractive. Some hon. members have said that we need a back to the land movement. But how in the world can you expect