

wish to leave one note of pessimism in any remarks I make to-night. I have great hopes. In fact, if one thinks the thing through he must conclude there is no other place in the world where the citizens have greater opportunities than they have right here in Canada—and we are not the only people who know that. There are other people who know it. The field, the farm, the forest and the factory of Canada would be a great prize packet for the axis powers, if we were to lose this struggle. I hope hon. members, and people throughout the country will ponder those words.

We are trying our best to hold our economy together by controlling prices. In this year's budget we find a little more control. What concerns all is that there is no long-range plan for control. It is true that it is a difficult task; but even if we had a short-range plan we would know where we were going. A man who happened to be in a certain industry would not wake up to-morrow morning only to find that the price had been set at such and such, and that he was out of business, as far as his line of goods is concerned.

The whole programme is spotty, a kind of patchwork. Each day sees a new order in council adding restrictions to whole lines of endeavour, and thereby destroying the possibility of a well-balanced price structure. Price control may be necessary, but it must be adjusted to meet conditions, in justice to the primary producer, secondary industry and labour.

May I explain what I mean by saying that we have failed, not dismally, perhaps, but in large measure to take into consideration, in the control of prices, what is happening in other economies similar to our own. The particular one to which I should like to refer to-night, the one which perhaps receives more discussion, and concerning which there are more experts in this chamber than there are with respect to any other line of industry, is the industry of agriculture. To prosper and to be satisfied, all that agriculture asks is equality of reward for the industry and application they put into the working of their farms. Some people call it parity. But, call it what you will, if the Canadian farmers are given an even chance, not only in Canada but in competition with any other agricultural country, they will give a good account of themselves, and come out on top.

Bank of Canada figures illustrate this point, and in order to make it clear I shall place on record a short review of wholesale prices in Canada, as they are found at page 11, section 8 of the statistical review published by

the Bank of Canada. This review sets out wholesale prices in Canada for farm products in the different years going back to 1926. Then it gives wholesale prices on food made from farm products. In like manner it gives prices in the United States with respect to those two classes of commodities.

Taking 1926 as a base of 100, we find that in the depression of 1932 farm products dropped in Canada to less than half the wholesale price in 1926, namely, to 48.4. Farm products have not even yet come back to the 1926 figures. They still lag at 87. On the other hand, foods, which were 100 in 1926, and which might be considered as secondary products to those produced on the farms, have now risen to 101.6. Despite these conditions, the return to the farmer stands at only 87.

While this condition prevails with respect to farm products in Canada, the return to farmers in the United States does not lag behind returns for other commodities. Returns to farmers in the United States have maintained a fair relationship, and have been kept on a parity with the prices the consumer has to pay for food. The return to the farmer in the United States to-day, as compared with 1926, is 113.8, whereas in Canada it is only 87. The production of other materials, in like manner, lags behind by 13 points in the return to the Canadian primary producer.

I believe the Minister of Finance (Mr. Ilsley) would agree with me that if, as some people say, we were to pierce the ceiling and let prices run riot, we would be taking action fraught with a good deal of danger. I am not asking for that. I would be one of the last members in the house to support any measure of inflation. The figures I have before me are as recent as January of this year and, while the condition may right itself, even during this year, it seems that up to the moment, and particularly during the last three or four years, there has been a lack of understanding on the part of those charged with the responsibility of providing equal reward for agriculture as compared with the rewards from secondary industry and food products, or as compared with returns from other primary products, or the secondary products made therefrom.

In Canada, possibly on account of the great distances and the smaller quantities, as compared with the economy of the United States, it does not seem possible to overcome the wide spread between producer and consumer goods. That is a problem to which we should address ourselves. And when I say "we" I am thinking not only of the Minister of Finance, but rather of the membership of the house as a whole. Why can we not harness the membership of