

opposing the Bill, but I am pointing out that Ontario may be taxed, though perhaps not very heavily, to support it.

I think it was the member for Lambton-Kent who gave some figures in regard to the cost of this wheat legislation. He estimated the expense of 90-cent wheat at \$56,000,000 in cash, the expense of the acreage bonus at \$30,000,000, and the expense in connection with the Prairie Farm Assistance Act at \$10,000,000; a total of \$96,000,000. That is not a small sum of money. I remember the time, in 1913, when the Government in power desired to vote \$30,000,000 to assist the Motherland in the building of three dreadnoughts. It was thought then that \$30,000,000 was so terrible a sum that the House of Commons was kept sitting day and night for two weeks, Sundays excepted, before the Bill went through; and after it did go through the Commons, it was killed in the Senate. Of course I am not charging present members of the Senate with that. I had the rather unusual experience of voting for the Bill in the other House, of coming here before the Bill reached the Senate, and of voting for it again. But it was defeated.

I do not think that what is proposed should be a permanent policy. I think it would be well for the Western farmers to understand that when normal conditions return we shall have to change our system somewhat. I think we shall all have to learn that when a business does not pay we must go into some other business.

Hon. R. B. HORNER: Honourable senators, do not be alarmed. I do not intend to go into any lengthy discussion that is likely to stir up controversy at this time, but I do wish to make a few remarks on this increase in the price of wheat to 90 cents. It is well known in Western Canada that when you talk of 90-cent wheat you are referring to No. 1 Northern at Fort William, and that 90-cent wheat at Fort William means an average price to the producer of 70 cents. I find that a number of my friends in Eastern Canada are under the impression that we get 90 cents at the farm. The average price received for No. 1 Northern in carload lots is about 72 cents.

We Western farmers believe that this legislation will not necessarily impose any charge on the Federal Government for the 1942 crop, because millions of bushels of wheat are being fed to live stock in Western Canada. Government statistics for 1940 show that so many bushels remained in the hands of the farmers; but the figures are misleading, as much of the grain already had been fed to live stock. For that reason the country is not likely, as

was suggested by the honourable senator who has just taken his seat (Hon. Mr. Donnelly), to have to put up a very large sum of money to assist the Western farmer.

Hon. Mr. MURDOCK: Will the honourable gentleman tell us where the 18-cent difference between 72 cents and 90 cents goes?

Hon. Mr. HORNER: It goes in freight and handling charges. That is quite simple. I remember selling wheat for 72 cents at the elevator, and loading by pail—there was no loading platform—and getting 56 cents after freight and other charges were paid. Owing to rust or frost the grade may be low, and before the crop comes on to the market the Board of Grain Commissioners will decide the spread. I have known years in which there was a spread of possibly six or seven cents between No. 1 and No. 2. The usual spread is from three and a half to four cents.

Hon. Mr. MURDOCK: And is there the same amount of extra cost for handling charges, regardless of the price of the wheat?

Hon. Mr. HORNER: I think handling charges have been somewhat reduced on street grain; that is, for the man who has not a carload. They have narrowed in recent years.

There is just one comment that I have to make. This is a personal idea, and possibly I have expressed it before in this Chamber. The Grain Exchange remains open to deal with an imperishable product on the futures market, but the facilities for marketing live stock in Western Canada are far from satisfactory. I maintain that if a grain exchange is useful, a live stock exchange and a bacon exchange would be much more useful. After all, the producer can keep his own grain for several months, but hogs and cattle must be sold within a certain period of time or they will be overweight. A good many men fed cattle all winter in the hope of getting a fair price for beef at this time, but if you look at the market reports in the Western and Eastern papers, you will see that the price of beef is off 25 to 50 cents. These reports say that buyers are determined to cut prices for live animals.

We hear a great deal of talk to the effect that the farmer does not do business as a business man would. He is prevented from doing so by conditions. If he had a bacon and live stock exchange he could sell his animals for delivery in the spring, and he would then be able to make a proposition to his banker. He would have, let us say, so much feed on hand at home and so many cattle; so in deciding upon whether the man was a good risk the banker would simply have to judge as to his ability in the feeding