

*Wheat Acreage Reduction Act*

ties for 1942; and whatever amount is necessary for 1943 will still have to be brought down as a supplementary estimate.

Mr. SENN: How does the department estimate so far ahead what its requirements for the next year will be when it brings down the supplementary estimates?

Mr. GARDINER: Our reduction in wheat acreage up to date is pretty well known. I can give these figures in a moment in answer to the other question. We are asking this year for an increase in that acreage reduction of between three and four million acres. That increase, if we obtain a considerable part of it, will probably bring about a decrease in wheat acreage of ten million acres. Ten million acres at \$2 per acre is \$20,000,000. That is the way we make the estimate. We ask the people to do a certain thing and we set aside a certain amount of money to pay them for it. It will be recalled that when we brought down the regulations we asked the people to reduce by a certain acreage and stated to the house that we estimated it would cost the government \$35,000,000 to bring about the reduction asked for. The actual cost was \$34,557,200, so that we got just about all we expected and paid for it.

A question was asked as to what payments were made in 1941. There have been some hang-overs and payments about which there is dispute, but down to February 20, 1943, we have paid on account of 1941:

Manitoba .....	\$ 4,408,225
Saskatchewan .....	19,824,841
Alberta .....	10,324,134
A total of.....	\$34,557,200

In the three provinces we estimated the number who were grain growing farmers and who could be affected by this, to be 273,193. The number of farmers paid was 178,014. The coarse grains increase in 1941 was 3,621,014 acres. The grass increase was 347,136 acres. The summer-fallow increase was 6,206,913 acres. The wheat acreage reduction on this basis would be 10,175,063 acres. The average payment, including landlord's share, was \$192.74 per farm.

I wish to state again with regard to that figure of 10,175,000 acres that there were not that many acres taken out of wheat. It will be recalled that in 1941, under the regulations, we made provision that where a man had grown a certain percentage of his acreage—more than eighty per cent—in wheat in 1940 we averaged the two years, provided that 1939 was lower, and that required the averaging of coarse grain crops as well as others; and these acreages are based upon the basic acreage of

[Mr. Gardiner.]

that time rather than upon the actual acreage. So that when we have the complete figures for 1942 they will be more exact, because we based the decisions in 1942 upon the actual acreage of 1940, not upon a calculated acreage as between 1940 and 1939.

Just before leaving that, I should say that there would be a difference to this extent, that where a man had no acreage at all in wheat in 1940, but where he had been accustomed to growing wheat, probably summer-fallowing half his land one year and putting it into wheat the next, we took 1939 instead of 1940. So that some of this acreage thus contained is not actual acreage of 1940; we go back to 1939 to get part of that acreage.

Mr. SENN: There is some feeling of dissatisfaction throughout the east regarding this wheat acreage reduction and the bonuses which have been paid. Some of the farmers in eastern Ontario argue in this way. The production per acre of coarse grains is naturally very much larger, if the crop is fair, than it is of wheat, and they are wondering whether, with the fairly high prices which prevail for barley and oats and sometimes for rye, the western producer would not get as much out of his land by sowing it in barley and oats rather than in wheat. It seems to me that if the western farmer can get as much money from sowing to barley and oats or coarse grains as he does by sowing to wheat, there is no great reason for giving him a bonus to reduce his wheat acreage and put it into these coarse crops. Will the minister say whether that has ever been considered?

Mr. GARDINER: Well, it has been considered, but that question is not involved in the reason for starting the policy.

Mr. SENN: Oh, I know.

Mr. GARDINER: What we started out to do was what had been done in another way in the United States previously. What we were really asked to do under the proposed wheat agreement among the different countries which were producing wheat in surplus was to reduce our wheat acreage in Canada, and we adopted this particular method of getting it reduced. One of the objectives we had in mind was to avoid putting a sum estimated at the time to be about \$100,000,000—government money, of course, which would come out of all the people of Canada—into wheat; and we had it in mind to cut down the amount by having land taken out of wheat. In doing that, as hon. members will recall, in 1941 there was some fear that we might injure other parts of Canada, and we started that year on a policy of assisting in paying freight on these coarse grains down to eastern Canada, so that farmers in the east