

3. If he sows the reduced wheat acreage or part of it to grass or clover during 1941 provided the land has not also been sown to coarse grain or summer-fallowed, the government will pay him \$2 an acre as soon as possible after proof of sowing has been established and an additional \$2 an acre if the same land is still seeded down to grass on July 1, 1942.

4. If he sows reduced wheat acreage or part of it which is also sown to coarse grain, or which is summer-fallowed in 1941, to grass or/and clover or to rye in 1941, the government will pay \$2 an acre as soon as possible after July 1, 1942, provided the same land is in grass or/and clover, or rye, on that date.

The above payments are considered to be liberal allowances for the work necessary to utilize the lands for the different purposes outlined. The methods by which the money can be earned are intended to be varied enough to permit of the farmer adopting the one most suited to his farming conditions in order to obtain revenue which he has been denied because he is unable to deliver the amount of wheat he has been accustomed to market.

An estimate of the amount of money which can be earned is possible. If the entire 9,000,000 acres were removed from wheat as summer-fallow, the amount distributed would be \$36,000,000. If 6,000,000 acres were utilized as summer-fallow and 3,000,000 for coarse grains and grass, the amount distributed in 1941 would be \$24,000,000 for summer-fallow and \$6,000,000 for coarse grains or grass, or both, whereas the farmer would have additional returns from the increased coarse grains in this latter case, and in 1942 could collect additional amounts if the grass and rye lands are still out of wheat. Any other combination can be estimated similarly.

Certain regulations will be necessary to prevent corporation farmers or those operating farms on the tenant plan from taking advantage of the plan to the detriment of their tenants. Other safeguards may be needed. Such regulations will be provided as soon as possible.

A distribution of the funds made available by these payments between seeding and summer-fallowing, and between cultivation and harvest should be even more helpful in this difficult year 1941 than funds distributed in an increased price spread over the latter five months of 1941 and the first seven months of 1942. With this suggestion I desire to leave with the house the statement of policy as set out, in the first part by the Minister of Trade and Commerce (Mr. MacKinnon) and in the second part by myself.