

board to rectify what I believe is a discrimination, and what the farmers of the maritime provinces do not hesitate to call gross discrimination as compared with their competitors in Quebec and Ontario. I make that suggestion to the minister. I have to go to a meeting now. If I can find my file I shall be back to tell him what the excuses are—not the reasons, but the excuses which have been put up to me for this discrimination—and I ask him to be a friend of the farmers of the maritime provinces.

Mr. GARDINER: I can scarcely let the suggestion go by that we have subsidized the farmers of western Canada to reduce production, because all one has to do is to look at the records to find that if that was the objective, we certainly have failed. Production in every line in western Canada has been very much increased, more particularly in the lines which we subsidized in order to get that increased production. On the other hand, dealing with the question which is now brought before the committee, I would again submit that it is impossible for me to place before the committee the proper answers to the questions which are being asked.

Mr. HANSON (York-Sunbury): I accept that.

Mr. GARDINER: All I can say is that farmers right across Canada, in the maritimes and everywhere else, since price controls have come in, through the assistance we give, in addition to the price controls, by paying freight, are getting their fertilizers at approximately two dollars per ton less than they had to pay before we did anything about it.

Mr. HANSON (York-Sunbury): What is the subvention?

Mr. GARDINER: The subvention has to do with the freights on shipping from the places where the fertilizer is made to the places where it is going to be utilized. It works out at approximately two dollars per ton.

Mr. ROY: I wish to refer to a matter in connection with the subsidy. The subsidy which was paid by the government last year to farmers on their purchases of fertilizers has been abolished, and replaced by the freight assistance provided for under order in council P.C. 89868. This change of policy has resulted in quite a heavy loss to the farmers, of which I will give the committee a few examples.

On a carload amounting to some forty-one tons which was shipped from Quebec to Mr. Emile Frenette, of Portneuf, Quebec, the

subsidy last year would have provided, on 23,000 pounds of superphosphate, twenty per cent of the amount, or \$34.50; on 46,000 pounds of mixtures 2 x 12 x 4, it would have brought \$69; on 10,000 pounds of mixtures 4 x 12 x 6 it would have brought \$19.50; and on 2,500 pounds of mixtures 3 x 18 x 0, \$4.50; a total of \$127.50. All that the freight assistance has brought to Mr. Emile Frenette under the scheme actually in operation is \$12.13.

I have another case: some forty-eight tons of fertilizers bought by Mr. Armand Gamache, of Iberville, Quebec. Actual freight assistance brought him \$9.60 and last year the subsidy would have given \$154.10. That means a loss of \$144.50. These two examples should be enough to prove that the farmers are receiving a good deal less than they did last year with the subsidy as formerly paid. At this time when the country needs to encourage farm production and when the government has given the farmers to understand that they will receive more help than ever, it is hard to understand the policy that has actuated the government in the rescission of the subsidy of last year. Can the minister tell us why the change has been made?

Mr. GARDINER: The question is why the change from the policy of paying the farmers a subsidy on fertilizer, the policy which was followed last year, to that of paying so much on the freight, has been brought about. The answer is that a year ago, and earlier than that, we undertook to encourage the greater use of fertilizers, and through that policy, and the tendency of farmers when they obtain higher prices for their products to use more fertilizer, we finally came to the point where all the fertilizer we had was being utilized, and there was no point in trying to encourage the still greater use of it. In other words, all the fertilizer we had was being made use of by the farmers. The policy was therefore changed so that instead of trying to encourage the use of more fertilizer we endeavoured to equalize the cost of fertilizer to farmers. The result is that we now pay assistance on freight, so that the farther away the person is from the plant, and the more the commodity cost before, the higher the subsidy paid. One can take letters such as the hon. gentleman has just referred to and find that a person living close to a plant is paying more this year than last year, but he is probably not paying as much as someone who lives a considerable distance from the plant. If you went to the end of the road and took the quotations from that location you would probably find that there was as much difference in the opposite direction. The intention is to assist the