

more than he should pay, because the spread between the price of the raw materials and the finished product, the mixed fertilizer, has been too great. This is a matter which the minister should look into very carefully in connection with the imposition of the three per cent excise tax. I do not know whether the Minister of Finance has in mind putting fertilizer on the exempted list. At the present time I understand that the three per cent excise tax applies to everything that comes in, even to articles that were on the free list before. If that is the case, it will hit our potato growers in the maritime provinces very hard, and as we all know, they are having a difficult enough time carrying on under present conditions. They are almost in bankruptcy so far as their potato growing operations are concerned.

I would not stress this so much, Mr. Chairman, if it were not for the fact that our friends opposite promised so much during the election. They certainly promised to put our agriculturists in the maritime provinces on easy street if only they would return the Conservative party to power. They even stated in their campaign literature that was scattered throughout my county that they would compel the Americans to take off their duty against our potatoes so that our potato growers could ship their potatoes into the United States free. I am glad to say that our farmers were too intelligent to fall for that, but it just shows the extremes to which our friends opposite went in order to gain power. I am not blaming the minister for that, but I should like to draw his attention to a cartoon that I hold in my hand showing the Prime Minister kneeling at the bedside of a farmer sick in bed. The Prime Minister is saying to one of his colleagues that the farmer is certainly very sick, and he asks, "What can we do for him now? One thing is sure. We cannot bleed him any more." I agree with the Prime Minister that he cannot bleed the farmer very much more, but here is one place where this government is going to bleed him more by putting upon the farmer a three per cent excise tax, unless fertilizer is included in the list of exemptions and allowed to come in free. I do not think that the ten per cent duty should ever have been put on fertilizer, because it does not help the industry here and is a hardship to all our farmers.

Mr. SMITH (Victoria-Carleton): On what ingredients was that ten per cent duty placed last year?

Mr. MacLEAN: It was imposed on different ingredients. The duty was on fertilizer [Mr. MacLean.]

compounded or manufactured. My friend perhaps will take the position that the farmers need not have bought ready-mixed fertilizer, but he knows that in many sections throughout this whole dominion where there is not an organization that purchases the farmer's fertilizer requirements in a large way the farmer is only too glad to go to the dealer in his own town and buy the ready-mixed fertilizer, on which there is a ten per cent duty. In our own province the potato growers' association provide the fertilizer ingredients in a large way. They buy the chemicals and we do the mixing ourselves to a very large extent. But as I have said, there is still a large amount of ready-mixed fertilizer imported, as is proved conclusively by the fact that last year's importation netted a revenue to the government of over \$144,000.

Mr. SMITH (Victoria-Carleton): I think the hon. member has left a wrong impression on the minds of the committee so far as the mixing of fertilizer in the maritime provinces is concerned. There was no mixed fertilizer brought into the maritime provinces from the United States last year. There may have been in some other portions of Canada where the farmers do not use fertilizer so extensively as it is used in the maritime provinces. I think the government is to be commended for placing a duty on mixed fertilizer. It must be apparent to every hon. member that when fertilizer is required in Canada we ought to engage the services of Canadians to mix it, rather than pay Americans to do it. To my mind there is no doubt about that. No duty was placed upon ingredients coming into Canada last year.

Mr. VENIOT: Yes, if those ingredients were to be mixed.

Mr. MacLEAN: Does my hon. friend say that the three per cent excise tax will not apply?

Mr. SMITH (Victoria-Carleton): I think the three per cent excise tax is unfair to the farmers of Canada. Representations have already been made to the government and as a result they have the matter under consideration. Before the bill is passed I believe something may be done to relieve the situation.

Mr. MOTHERWELL: What are the plans with regard to a seed laboratory for the seed commissioner's office? A few years ago some arrangements were made, which did not materialize, to have a central seed laboratory in Ottawa for the benefit of the whole dominion. I understand there is some suggestion of