

Objectives in some cases were not met in 1943, in large measure because of unfavorable weather conditions, particularly in eastern Canada. Given a favorable season in 1944 it is expected that the new objectives will be reached.

FREIGHT ASSISTANCE POLICY

In the fall of 1941 it was found that a shortage of feed grains and supplies in Eastern Canada was likely to hamper increased production of hogs and other livestock. Consequently the Dominion government undertook to pay freight rates on feed grain moved from the Prairie Provinces to eastern Canada or British Columbia. Export of feed supplies from Canada was stopped. In addition, the government took steps to encourage the greater use of fertilizer and fertilizer materials in eastern Canada and British Columbia.

Claims paid under the Dominion freight assistance policy from August 1 to December 31, 1943, indicated a movement of nearly 45,000,000 bushels of wheat, oats and barley from the Prairie Provinces to deficiency areas. During the entire 1942-43 crop year, only 58,000,000 bushels were so moved.

From the initiation of the free freight policy in October, 1941, up to the end of 1943 the Dominion government paid out approximately \$25,000,000 in claims which have been of direct assistance to livestock producers. In addition, a further \$2,600,000 was paid out in a form of a drawback on western wheat fed to livestock from August 1, 1942, to December 31, 1943, and \$39,000 in 1943 as an alfalfa meal subsidy. Thus total feed subsidies to the end of 1943 amounted to approximately \$29,000,000.

WHEAT ACREAGE REDUCTION

In 1941 the government also inaugurated a wheat acreage reduction program, the terms of which provided that farmers would be paid \$4 for each acre taken out of wheat and utilized in summer fallow and \$2 for coarse grain production. The latter program resulted in a reduction in 1941 of more than 6,000,000 acres in the area sown to wheat and an increase of about 3,500,000 acres sown to coarse grains. The switch in emphasis from wheat to feed grain has done much in the way of encouraging livestock production at a time when it was most urgently needed.

Bonuses paid under the wheat acreage reduction program up to end of January, 1944, amounted to \$84,558,162, Agriculture Minister Gardiner disclosed in a return tabled in the House of Commons on May 1.

Mr. Gardiner presented a table showing the number of bonuses paid in each year since the inception of the plan in 1941:

	<u>1941</u>	<u>1942</u>	<u>1943</u>
Under \$100	71,960	108,743	84,569
\$100 to \$500	99,178	67,420	84,354
\$500 to \$1,000	9,040	2,540	5,002
\$1,000 to \$2,000	1,599	327	599
\$2,000 to \$5,000	100	3	8
\$5,000 to \$10,000	5	-	2
\$10,000 to \$50,000	3	-	-

On February 18, 1944, Mr. Gardiner indicated in the House of Commons that it was not the intention of the government to continue payment under the wheat acreage reduction policy.

Substantial quantities of oats and barley are now moving to the United States. Figures compiled to March 31, 1944, show that more than 28,000,000 bushels of oats and almost 17,000,000 bushels of barley were shipped from Canada to the United States between August 1, 1943, and March 31, 1944. The 1942-43 crop year total amounted to 58,000,000 bushels in the case of oats and 35,000,000 bushels in the case of barley.

The price of these grains in the United States had been soaring, but the