

cent in one scheme and about 45 to 50 per cent in another; but that is what we are doing at the present time. That is why I want to return to this idea. How does the minister propose to deal with this question of wheat acreage reduction as between this year and last year? Is there any way by which we can be fair to those farmers who have summer-fallowed 50 per cent of their land and who now find that under the 65 per cent arrangement they actually will sow only about one-third of their land to wheat; and the other farmers who have not been equally far-sighted and for whom it will be very little sacrifice? Has the minister given any consideration to working out any general principle rather than this arrangement, which I am afraid will work in a rather haphazard and unsatisfactory manner?

Mr. GARDINER: The principle of the policy is that which was presented to us by practically every official organization that made representations. They either used the definite figure of 230,000,000 bushels of wheat or made the general representation that the government should set some number of bushels that would be accepted. In none of the recommendations, from the federation of agriculture, the advisory committee of the wheat board, the pools or any of the other organizations, was it ever suggested that we should compel people to get down to a certain acreage. As a matter of fact, whenever there was a definite representation, it was to the opposite effect, that it would be impossible to compel people by law to get down to a certain acreage. Where they did not say it was impossible, they said it was not advisable. Finally we accepted the representation of all these organizations that we should attempt to work out the amount of wheat which there was a possibility of the wheat board being able to dispose of during the coming year; and the highest amount that could be agreed upon by any considerable number of organizations was 230,000,000 bushels. As a matter of fact, most organizations figured it out at around 200,000,000 bushels. In the end we took the highest figure recommended by any particular organization as the amount we probably could sell, and that was 230,000,000 bushels.

Mr. HANSON (York-Subury): That was the maximum.

Mr. GARDINER: That is the maximum. It is the amount that has been set by the wheat board through the Department of Trade and Commerce, as I understand it, as the maximum amount to be accepted; that is,

[Mr. Douglas (Weyburn).]

180,000,000 bushels sold to markets outside Canada plus 50,000,000 bushels consumed in Canada. That, of course, is in addition to the 77,000,000 bushels used in Canada for seed and similar purposes. The 230,000,000 bushels is the amount which was finally established on recommendations which came to us in connection with these regulations.

The next step was to determine some method of getting farmers to reduce the acreage of wheat to a point where production would bear some relationship to probable sales; otherwise, if we were to pile up still greater reserves, it would be necessary to build more and more storage across the country, storage of which we already have too much for normal times. Therefore it was determined to try to persuade the farmers to go below their present acreage. The first effort in that direction was the fixing of 65 per cent of their last year's acreage. That is, it makes no difference what a man sows this year. If he wishes, he can sow twice as much as he sowed last year; there is nothing to prevent him. On the other hand he can sow half as much as last year; there is nothing to prevent that. But no matter what he sows, his quota for this year is based on 65 per cent of what he sowed last year.

Having started with that we do not say to him, "You must sow the 65 per cent." We say, "If you can get your quota by sowing half of what you sowed last year, go ahead and sow half. If you can get your quota by sowing 40 per cent, do so." Having said that to him, that is an inducement to the farmer to grow his quota. Last year we said, "We will give you a quota of five bushels." A little later the quota was increased by three bushels, and a little later by two bushels more, and as a result many farmers sowed more and more wheat, on the theory that the greater the acreage, the greater would be the quota they could deliver. Now we say it does not matter what acreage is sowed; the quota will be the same. Then the farmer starts out to do one of two things. Either he gets rid of his wheat altogether and draws whatever he is going to draw as a result of this policy, or he tries to work it out so that he can be reasonably sure of producing the quota he is allowed, and he sows only that acreage. Then he proceeds to collect from the government for having done these things. Under that plan we estimate that if two-thirds of the acreage sowed last year is sowed this year, it will require a quota of only twelve bushels to the acre to provide the wheat which the farmers will be allowed to deliver, namely 230,000,000 bushels. But