

War Appropriation—Finance

Mr. ROSS (Souris): In a return brought down on March 6 of this year I asked this question:

How many bushels of wheat were used by the millers of Canada during each of the years 1942 and 1943?

The answer was:

1942—93,134,762 bushels;

1943—108,448,431 bushels.

The prices prevailing over the subsidy paid for 1942 and 1943 varied all the way from 11½ cents to 30½ cents. The subsidy paid last January on this same basis on No. 1 at Fort William was 47½ cents and on durum, 52½ cents. I suppose that will prevail right through and be based on the \$1.25 price. I assume there is just as good a demand for flour now as there was in those years.

Mr. ILSLEY: The hon. gentleman has not taken into account the profit control factor of the arrangement. The subsidy is reckoned on the basis of the difference between 77½ cents and \$1.25, but the arrangement made with the millers for the present grain year which ends July 31 is that that amount will be reduced by the extent to which their profits exceed 116½ per cent of their standard profits.

Mr. ROSS (Souris): Excess profits.

Mr. ILSLEY: Yes. That is the reason why I expressed my appreciation of what the millers are doing, because it really worked out to reduce their profits on their export business although this is a subsidy in respect of domestic business. I do not know whether that arrangement can be continued for another year, because there is considerable objection to it by some millers, but they have been very fair to date; I will say that.

Mr. ROSS (Souris): I was just asking for information. Have you figured out on a monthly basis the refunds made on the excess profits up to the end of the year?

Mr. ILSLEY: It would have to be at the end of the financial year.

Mr. WEIR: I am sorry I did not hear all of the minister's statement. Does this arrangement take into consideration the mills grinding only for domestic use as well as those in the export business? I am thinking particularly of the small mills in the west who would not be in export business. I wanted to know if this arrangement worked out on the same basis as it does for the exporting mills.

Mr. ILSLEY: They get the full subsidy except to the extent that the subsidy might push them up above 116½ per cent of their standard profits. It does not make any difference whether they are in the export business

[Mr. Ilesley.]

or not; it is simply that the export end of the business has been more profitable for most companies and that is how a reduction in subsidy was obtained.

Mr. SENN: Would the eastern mills grinding winter wheat for pastry flour enjoy this subsidy as well as the western mills that are grinding hard wheat?

Mr. ILSLEY: I think so, although I do not know. The idea of the subsidy is that they must sell their flour for what it sold for in the basic period, and therefore they have to buy wheat at the price they were buying it for in the basic period, or at something near that figure. I should think they would have to be subsidized if wheat has gone up in price. It may be that it has not, because I understand that wheat in Ontario was fairly high during the basic period.

Mr. ROSS (Souris): I understand that millers are subsidized on the same basis and that there is no distinction between the different mills as referred to by the hon. member for Macdonald.

Mr. ILSLEY: That is right.

Item agreed to.

Housing conversion programme, \$3,755,000.

Mr. NOSEWORTHY: Would the minister give us the statement as to what has been achieved under this programme.

Mr. ILSLEY: I will give a statement of the houses converted into apartments and those under construction as of April 30, 1944:

Completed and occupied April 30, 1944	Houses	Apartments provided
Quebec	2	16
Montreal	8	66
Ottawa and Hull.....	17	94
Toronto	7	25
Hamilton	9	46
Brantford	3	15
Vancouver	9	80
Victoria	5	24
	60	366
Under construction		
Quebec	9	120
Montreal	20	140
Ottawa and Hull.....	2	19
Toronto	2	16
Hamilton	3	19
Kingston	2	18
Galt	1	5
Fernie	2	44
Vancouver	21	298
Victoria	7	72
	69	751

If we add those that are completed and occupied to those under construction we get 129 houses to provide 1,117 apartments.