

Cost of Living

party in Saskatchewan, Mr. Steuart. He is one of the proteges of the Minister of Justice. He says:

"I can't see that the farmer should in any way subsidize any food commodity.

"For years and years the western farmer was forced to sell his grain for Canadian consumption as well as world-wide consumption at whatever price he could get on the world market. And we were told for years and years that that was the way it was.

"The world market was a dollar and a half, it didn't matter what the farmer's costs were, he had to take a dollar and a half.

"Now for the first time since World War II, for the first time in over a quarter of a century, the farmers are getting good prices for their commodity.

"And so we're sort of seeing a backlash where people are saying 'well we better put ceilings on these prices.'

"And I say no."

That is the leader of the Liberal party in Saskatchewan. I wonder whether the Minister of Justice consulted him. He did in the last election with tremendous success.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: He won his own seat in the province. The question continues:

"And I say no. We're not putting ceilings on anything else. If the federal government wants to subsidize food prices, I say good. . . .

"But in no way should the western farmer or any farmers in Canada be asked to subsidize it."

What does the Minister of Justice say to that? What about this subsidy? The first hint of a subsidy, I think, was about five days ago.

Mr. Stanfield: Back in July.

Mr. Diefenbaker: Yes, but this is the revised version. They were going to hook the farmer for about \$1.70 a bushel to subsidize the consumer. That is what the plan was.

Finally, there was the alteration outside the House of Commons of what he said on Friday, and I had questioned him on this. He said he was giving us the full story, but now there is a revised version. Under the plan as it is today, the western farmer producing wheat will be subsidizing the consumer of Canada by approximately 67½ to 72 cents a bushel. That is wrong. Any subsidy should be paid by the people of Canada as a whole, and not by the farmers of western Canada.

● (1730)

Some hon. Members: Hear, hear!

Mr. Diefenbaker: The Minister of Justice enunciated with great gusto an illusory plan, not yet achieved, for a seven-year sale in advance. What is the experience we have had with him up to now? The government is going to put a ceiling on the farmer's wheat. That is what the Liberal party did during the last war. It restored the Wheat Board, having let it die, so it could put a ceiling on the price of wheat, and the farmer could not get the price that would otherwise have been available. Now the government is going to do it directly and put a ceiling on the farmer's wheat.

Has the minister forgotten the unholy mess his government made—not him, because he is merely a puppet of the

[Mr. Diefenbaker.]

Prime Minister (Mr. Trudeau)—in connection with the sale of our wheat all over the world at prices below the cost of production? That has been going on for the last several years; and the minister cannot deny it, as he sent a letter to his constituents and forgot to delete that part. Wheat was sold to the U.S.S.R. at a price lower than the cost of production. I am referring, not to a political record but to a government document issued in connection with customs operations, exports by commodities. It shows that they sold wheat to the U.S.S.R. at \$1.73 per bushel when the asking price, on contract, in Vancouver at the time was \$2.96. They sold wheat to the People's Republic of China for \$1.97 at a time when the asking price was \$2.92.

Mr. Lang: That is not true.

Mr. Diefenbaker: They sold wheat to Cuba at \$1.75 when the asking price was \$2.90. They got rid of the farmers' wheat at a price below the cost of production. Now the individual who initiated this says he has a new plan on behalf of the farmers.

Let me refer to other sales. They sold wheat to the U.S.S.R., again at \$1.72 a bushel when when the going price was \$2.97. They sold wheat to Cuba for \$1.72, and to North Korea for \$1.54. Isn't it strange how all these people got in on this deal? This has been going on. The minister and the government have been blind to the fact that there has been a population explosion all over the world and food should be produced to the greatest possible degree. We should also be able to expect governments, realizing the facts known to people all over the world, not to dump farmers' wheat at prices below the cost of production.

Mr. Horner (Crowfoot): They were giving their friends a good deal.

Mr. Diefenbaker: I mentioned this historic letter the minister wrote to his constituents, dated March 2, 1972. In this letter he sets out the record in respect of the parliamentary speech index so that all may read and all may know. Then he makes his own observations in handwriting. In this letter of March 2, he said he was attending a Minneapolis farm forum. That is where representatives of agricultural organizations in Canada and in the United States gather. He asked the Americans why we in Canada were selling grain below the cost of production, and then said we were ready for reasonable prices if they said the word. The farmers of western Canada were taken for a ride in respect of 400 million to 500 million bushels because of this policy of dumping our wheat all over the world at prices below the cost of production.

Some hon. Members: Shame!

Mr. Diefenbaker: The minister wants us now to forget. Let me mention one other thing. He has now arrived at the point where he is able to look seven years ahead.

An hon. Member: That is two years better than Russia usually does.

Mr. Diefenbaker: What was his record when he was only looking a year or so ahead? Has the western farmer forgotten the Lift program? When it was introduced, I suggested that the only individuals who would get a lift