

(English)

The CHAIRMAN: Thank you, Mr. Côté. I think if we do visit the east we will make sure that Mr. Molgat goes with us. Mr. Schreyer? Is he there? Either he is under the table or he has gone. Mr. Olson?

Mr. OLSON: Very briefly, Mr. Chairman, I would like to ask a question in connection with Mr. Molgat's statement on page 4 that they do not want the feed board to have the opportunity of buying grain at a lower price than is offered to any other purchaser. I do not think this is going to happen, and I agree with you. But does this also include the fact that you do not want any federal subsidies going into moving this grain such as storage, discounts and so on?

Mr. MOLGAT: Our feeling is that this agency should not be on a different basis from the wheat board, and should have no privileges the wheat board does not have.

Mr. OLSON: You puzzle me, though, and this happened once before today. You say you want the highest possible price in the producers of feed grain, so why do you deplore freight assistance which does, in fact, make a higher price available to feed grain producers in western Canada?

Mr. MOLGAT: Because we are also concerned about the other aspects of agriculture in the west in the livestock business. We are asking for no special subsidy for the livestock business, nor do we want any special subsidy for the feed grain business. We are prepared to have them stand on their own feet.

Mr. OLSON: Yes, but would not the availability of feed grain at a price—I am not talking about a lower price—be the greatest incentive you have for the expansion of the livestock industry in Manitoba?

Mr. MOLGAT: But, the feed grain is here. We are not asking for any subsidy on it nor on the transport of our livestock to market in eastern Canada. We are quite prepared to take our chances on that. The problem we are faced with is that if we raise the cattle or pork here and ship it to an eastern market we are competing there against livestock raised in that area on feed purchased here but subsidized to be transported there.

Mr. OLSON: You are aware, then, that if the freight subsidy were removed, let us say, tomorrow there would immediately be a reduction in the price that the Canadian Wheat Board would ultimately be able to give to the western producers. You are willing to accept the responsibility for that reduction in price?

Mr. MOLGAT: I am not so sure this would, in fact, happen. But if that were the inevitable conclusion I would be prepared to accept that rather than the continuation of a subsidy.

Mr. OLSON: By the way, Mr. Molgat, have you presented these views to your fraternity brothers in Ottawa?

Mr. MOLGAT: As a matter of fact, Mr. Olson, we had a very interesting meeting in Saskatoon last summer where we discussed a number of these views and then proceeded to Ottawa in October where we had a most friendly meeting and had a good number of them accepted.