

Canada Grain Act

change the whole structure for marketing grain. This measure will undoubtedly be considered in the light of our ability to subsidize agricultural production. As an industrial nation, we have for 20 years paid-up service to the concept of developing cheap food, but we have not supplied food at cost as have other countries. Certainly France, the United States and Great Britain have done this for years, as have other agricultural countries. They have subsidized agricultural production. We have done things a little differently. We have not even asked the people receiving the benefits of low cost production to pay the subsidy out of the general treasury; we have asked the farmer to pay this subsidy out of his pocket. We have not done much, nor will we do much in this bill, to assist the farmer in getting a better price for his produce.

• (3:10 p.m.)

The legislation we are now considering, and the marketing legislation which is next on the Order Paper, should be geared to the development of a new marketing structure. If these measures are successful, they should provide the producer with a better return on his production. It has been pointed out by the Canadian Federation of Agriculture, and I will not quote their figures because hon. members have had an opportunity of considering their brief recently submitted to cabinet, that most farmers in Canada receive less than \$2,500 annual cash income. The federation points out that less than 50 per cent of Canadian farmers receive more than \$5,000 in annual cash income. The agriculture industry certainly is not in good shape and there must be some reason for this.

On a number of occasions I have had the opportunity of accompanying the agriculture committee to the offices of the Board of Grain Commissioners in Winnipeg. We have had numerous discussions and discovered the complexity of the grading system which has grown up over the years. Under this system, we find there are 400 grades of grain. Obviously, these 400 grades do not fit into either domestic or international price categories. They are grades established in respect of specific conditions. They have become so complex they are of no real value to the producer in assessing the grade he may expect, and of no value to the government in establishing a grade that is generally understood in the export market.

I remember a former Minister of Agriculture saying in this House that everyone knew Canada had the best wheat in the world and

[Mr. Peters.]

wheat of the highest protein content. These people have not beaten a pathway to our door to buy wheat. They have not really been convinced of the superiority of Canadian wheat. If they have been convinced, they have not been interested because the price was not right or because the commodity did not meet their needs. There is a chart on the wall of the grain commissioners offices which allows them to ascertain the exact protein content of wheat from a given area. They know the area protein content of this year's crop, and as soon as the new crop is ready for harvest they can make a decision and a projection for the following crop year.

We have been playing around with protein content and yet a decision has not been made in respect of whether we are to establish protein content as the major factor in our selling machinery or whether we are to establish another grading system. I am concerned, as I am sure many other farmers are, about what the international grading system is. For instance, what grading system is used by Australia, Russia or Great Britain; what is the relationship between protein and the type of wheat the markets of the world want; what is the ultimate protein content for wheat; what is the protein content for bread and what is the most advantageous method by which to establish a grade? As was pointed out by speakers last night, our export sales have dropped considerably from what they were three years ago. Certainly, we are down considerably both in our ability to sell and in our ability to receive a reasonable price that would equal our cost of production.

I agree with the minister that if we are unable to sell wheat at a reasonable price, then we might as well take it out of production and ask our farmers to switch to something else. But before that happens, we should have a pretty good assessment concerning where the difficulty lies. It seems to me it does not lie in the selling. With relation to the establishment of this new act, I would like to know what the international grading system is. If we in Canada cannot say that the system we are using is the type of system that would meet international standards, then it is the wrong system. If the minister can say there is no such thing as an international grading system, then it is about time we helped develop one. Whatever the international grading system is, we should participate in it and we should be marketing our grain on the basis of that grading system. Let us not talk