

other province. In 1969, Quebec processed 395,000 barrels a day, compared with 343,000 barrels a day in Ontario and 111,000 barrels a day in Alberta. Out of Quebec 66,000 barrels a day of refined products moved mostly to Ontario, comprising all grades of products to the Ottawa Valley, fuel oils and other products to central Ontario. About 8,000 barrels a day of motor gasoline was shipped into Ontario, contrary to the national oil policy.

Ontario is a large net recipient of products, mostly from Quebec and some from the west. The Atlantic provinces ship to Quebec a net volume of 7,000 barrels a day, while Alberta ships most of its refined products to British Columbia, the Northwest Territories and eastward as far as Ontario.

• (10:20 p.m.)

WHEAT BOARD—PRODUCTION AND RECEIPTS POLICY—  
STATEMENT IN BUDGET RESPECTING  
STABILIZATION PAYMENTS

**Mr. A. P. Gleave (Saskatoon-Biggar):** Mr. Speaker, I rise to bring to the attention of the House a situation in the rapeseed market which is working to the disadvantage of the producer, and to ask questions of the minister in charge of the Wheat Board who has not been prepared to answer them in the House up to this time.

On December 7 I asked the minister whether he would accede to the Saskatchewan Wheat Pool's policy of bringing this grain under the operations of the Canadian Wheat Board. I received, to say the least, an equivocal answer. On December 8 I asked the same minister whether he would investigate the manipulation and rigging of the rapeseed market, and his answer was that he would make inquiries of the Winnipeg grain exchange as to the situation that then existed.

On December 17 I asked the minister if he would report to the House the result of his inquiries, and his answer was that he had nothing to report to the House at that time. Let me report to this House that the market was rigged. I must inform the House that I know of no other product in respect of which there are two futures markets operating in Canada for one product—one futures market at Winnipeg and the other at Thunder Bay.

I should like to report to this House the spreads of the futures, comparing Vancouver with Thunder Bay. I use as my source the Winnipeg Free Press of October 1. The spreads were 1-1/4 cents on October 1, 3/4 of a cent on October 8, 4 cents on October 15, 1-3/8 cents on October 22, 5-1/2 cents on October 29, and then all at once on November 5 there was a 49-cent difference between these two near futures markets. On November 12 it stayed at 41-1/2 cents and finally, on November 19, it stayed at 45-1/4 cents. This spread continued during a time when maximum deliveries from farmers were starting to come from the new crop, and they have narrowed since. In addition to this, one can compare the difference between points in Saskatchewan such as Maidstone and Lloydminster. A farmer will receive 6 to 15 cents more for rapeseed at Lloydminster than a farmer will receive at Maidstone. A similar situation exists at other points which are

close together. The price is higher on the Alberta side of the border.

I maintain there is not, and has not been for this period of time, a market which accurately reflects the value of the product. I maintain that the producer has been paid one price in western Canada on the local market, and the purchaser who wished to purchase rapeseed for future delivery at the west coast has been held up as to price. This took place at a time when there were 2 million bushels in storage on the west coast and 2 million bushels in storage at Thunder Bay.

I maintain that these two futures prices, if they were working properly, would reflect only the additional cost of keeping rapeseed in storage at the port of Thunder Bay over the winter season. The spread of 45-1/2 cents does not reflect this cost of storage but reflects, rather, the ability of certain interests in the trade to manipulate the price to their own advantage. Under these circumstances, the minister should report to this House the result of his conversations with the grain exchange in Winnipeg. If he is going to involve himself at all, he should take action to correct this situation. After all, the minister involved himself by going to Thunder Bay and officiating at the opening of the second futures market there.

I do not know how two future markets can operate for a single product in western Canada. I think the producer has suffered as a result of the two futures markets and the manipulation which has occurred. The plea of those who handled rapeseed a year ago was that there was not enough at Vancouver to meet the market. This year, I submit, there was enough of this product to meet the market and while that product was there those who controlled it used their control to their own personal advantage and to the disadvantage of both the producer and the purchaser who wanted to come into Vancouver and purchase rapeseed for future delivery.

I believe it is about time the minister responsible, if he wants to call himself responsible, replied to this House. If he wishes to divest himself of responsibility, he can do so. It is an open-market operation. However, in his answer to me he did not divest himself of responsibility; he said he would investigate the circumstances that existed. I think at this time it is up to the minister to report to this House, not only what he found but also the steps he is prepared to take to correct the situation which I have documented and which existed. I would tell the minister I have spoken to people I know in the grain exchange who are knowledgeable about this situation, and they tell me the situation should not occur.

**Hon. Otto E. Lang (Minister of Manpower and Immigration):** Mr. Speaker, close to a year ago a committee was set up primarily to look into the situation in respect of rapeseed in Canada and to report on a number of matters to which the hon. member referred. I shall not go into all the items they recommended, but I would point out to the hon. member in particular that this committee, composed of two well known producers of rapeseed in the Prairies and a distinguished member of the rapeseed association, recommended that a second futures market