

Wheat Payments

Medicine Hat, \$3.15 to \$3.40; Calgary, \$3 to \$4; Red Deer, \$3.25 to \$3.50; in the Edmonton area, up to \$3.95 a bushel. It is a tragedy to see, especially this year, with the frozen crop, milling wheat going into the livestock feed market of Canada.

I have another comment on the confusion which exists in the industry. We know that the grain inspectors on the Pacific seaboard were off the job a couple of days ago; they were back at work today. Loading at Vancouver is still not up to par. On October 21, 471 cars were unloaded, for a total of just over a million bushels. They should be handling between 600 and 700 cars. October 22 was a better day; 588 cars were unloaded, totalling 1,274,000 bushels. I am in agreement with the hon. member for Moose Jaw: the minister certainly failed to instil any confidence in the grain industry when he mentioned in his speech that there might be some moderation of Crowsnest rates. The president of the Saskatchewan Wheat Pool, commenting on the statement made by the Minister of Labour (Mr. Munro) in connection with the Vancouver situation, concluded by saying:

The statement should have come from the Prime Minister, not a minister. The fact that a dispute between 520 grain workers and companies which represent 200,000 farmers should lead to a possible nationalization of our grain handling system is almost humorous if it were not so sad.

I like the statement made by the Minister of Agriculture (Mr. Whelan). I quote from a publication of the Saskatchewan Wheat Pool:

Mr. Whelan told a food prices forum we simply will not have any farmers or any food produced here in Canada unless and until farmers begin to get better treatment in our society and our economy. He pointed out that if farmers get a better deal it will be consumers who will reap the real, long-term benefits.

What we need in the grain industry and in the agriculture industry generally is a dramatic new concept. It takes farmers a long time to own the land they work. Ownership of the land constitutes, in effect, their retirement plan. I do not understand why we cannot allow farmers to register their land as a retirement savings plan, take a few thousand dollars before taxation and allow them to put it into their land, rather than obliging them to turn to a trust company for a registered retirement plan and seeing their money leave the district. Such a scheme as I have suggested would encourage young people to make a start in agriculture. There is nothing wrong with starting small, but it is difficult to start small today because the Farm Credit Corporation does not recognize small units; they must be going concerns. I support the bill in principle but I hope it will be amended in some respects in committee.

Mr. J. H. Horner (Crowfoot): Madam Speaker, in considering Bill C-19 one has to study the concept and the purpose of the bill and ascertain whether its objectives, or intent, will actually be accomplished. In the committee dealing with the main estimates it became abundantly clear that the purpose of this bill was to bring about lower food costs for consumers in Canada. The minister said that when the world price rose above \$1.95 and continued to rise, the government became concerned. When it became clear it would go to about \$3.25, the price to the Canadian miller was frozen at that figure. Ministers opposite have told the country and this House, through answers to questions, that the additional \$1.75 will go to the wheat farmer

[Mr. Hamilton (Swift Current-Maple Creek).]

in the final pool payment; that is, for hard spring wheat. For Durum wheat the average is \$5.75 and the final payment of \$1.75 makes it \$7.50.

The point I wished to establish through my questioning was that all political parties have advocated a two-price system from time to time. It is nothing new. Under the leadership of my right hon. friend from Prince Albert (Mr. Diefenbaker) when he was prime minister we introduced what was, in effect, a two-price system on an acreage basis. The concept has stood up well. But in those days the price for which the Canadian farmer was obliged to sell his wheat was unreasonably low, and the two-price system was designed substantially to increase the payment farmers would receive for wheat consumed in Canada. Farmers had to produce in an environment where the cost of production was high, and they sold it abroad at what was considered to be far too low a price, one which did not cover the cost of production.

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Many parties have advocated a two-price system involving a higher price for wheat for Canadian consumption paid to the farmer over and above that paid for the same wheat internationally. Here we have a bill that firmly establishes a two-price system. Members of the government will throw out their chests and say that they are putting this system into permanent legislation. They will say, "Everyone has been advocating a two-price system, but we are the good guys who are putting it into legislation".

Let us look closely at what the government is in fact doing. The government is not establishing a two-price system that is going to bring the farmers more money. The minister himself answered this question in committee. I asked him how much, in ball-park figures, the farmers had lost so far under the system, but he hated to say. So I put it another way. I asked him how much the western farmers have subsidized Canadian consumers, per bushel, under this system so far, and he said it was hard to derive a figure because the price of wheat fluctuated a little every day. However, with a little bit of coaxing the minister arrived at the conclusion that under this legislation the Canadian farmer had already subsidized the Canadian consumer by 25 cents a bushel.

Knowing the minister in charge of the Wheat Board as I do, that figure is very low. I asked him for a ball-park figure, and that is the figure he gave. Obviously, he is used to hitting Texas leaguers; certainly he has not hit many home runs if these are the kind of figures he wants to play with. I say that the Canadian farmer is subsidizing the Canadian consumer under this legislation today by at least 50 cents a bushel. If the minister will readily admit to 25 cents, then anyone who knows politics can safely double that figure, which is a little on the conservative side.

Mr. Benjamin: It is \$1 right now.

Mr. Horner: The hon. member for Regina-Lake Centre (Mr. Benjamin) is absolutely correct. Right now, the international price at Vancouver is over \$1 more than the farmer will receive for wheat consumed in Canada, under this legislation. If we are talking about 60 million bushels,