

Oral Questions

GRAIN

REQUEST FOR INCREASE IN SUBSIDY ON DOMESTIC WHEAT

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I have a question for the Prime Minister. It is supplementary to the first prong of the two-pronged question asked by the Leader of the Opposition. In view of the announcement yesterday that the Canadian farmer will be subsidizing the Canadian consumer by at least \$1.20 a bushel, can the Prime Minister assure the House that the domestic price which the farmer receives for his wheat will be no lower than the international price which he receives? In other words, will he consider increasing the subsidy on domestic sales so that the farmer will not have to pay for the consumer's bread?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, the real reward to the farmer, and the reason this arrangement is so much in his interest, is that the price of \$3.25 is being protected over a period of years during which the world wheat price may fall well below that level. This is according to experiences and is an historic fact. Just as for two years we had an effective domestic price at \$3 through the two-price system, which was for quite a long time \$1.40 or nearly that above the world price for wheat, the world price for wheat may now be temporarily above the price at which wheat is available to Canadians. However, that may be offset in due course by the price in the world market being below the price of \$3.25 which is being protected for the Canadian farmer.

Mr. Speaker: Order, please. A number of members are seeking supplementaries. I will recognize the hon. member for Qu'Appelle-Moose Mountain and then try to move on to the next question. If there is time, we will return to this important matter later.

SUGGESTED CONSULTATIONS ON RESTORATION OF INTERNATIONAL WHEAT AGREEMENT

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, my question is supplementary to that asked by the hon. member for Yorkton-Melville. Has the minister in charge of the Canadian Wheat Board made any contact with the United States, Argentina and Australia with regard to getting a joint declaration of intention to restore the old international wheat agreement to make this policy of the government work?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, we have made it clear to our trading partners including the countries to which the hon. member referred that we support the principle of orderly marketing internationally, as we have just so clearly indicated we do nationally. We are ready at any time to begin discussions toward a meaningful grains arrangement with a proper price range which protects a reasonable price in down-turns and also places a reasonable maximum in up-turn circumstances where a shortage of grain can make such a difference in price. I think it is fair to say that among exporting countries, the United States in particular has not yet shown a readiness to begin serious discussions about such an arrangement.

[Mr. Lawrence.]

EXTERNAL AFFAIRS

POSSIBLE ACTION BY GOVERNMENT TO EXPRESS DISAPPROVAL OF ATOMIC TESTING BY FRANCE

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, my question is for the Secretary of State for External Affairs. In view of the fact the government of France has grossly misrepresented the facts concerning the Canadian ship *Greenpeace III*, and in view of the fact the Minister of Defence, Mr. Robert Galley, has announced from Papeete, Tahiti, that notwithstanding the decision of the world court, France will continue its atomic testing, does this government contemplate any steps to voice disapproval of this policy by the government of France?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the government of Canada has already expressed its displeasure and has protested this action. It intends to continue doing so.

Mr. Reynolds: If the government of France continues this inaction, does the government plan any sanctions of an economic nature such as the restriction of French imports, to make clear our stand on France's internationally illegal policy?

Mr. Speaker: Order, please. The hon. member's question is hypothetical.

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ENERGY

PETROLEUM PRODUCTS—INQUIRY AS TO LEGISLATION ON PRICE FREEZE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. It arises out of the Prime Minister's statement yesterday regarding the imposition of a freeze on the price of petroleum products. Does the government intend to introduce legislation to give effect to this freeze or is it relying entirely upon voluntary restraint by the oil industry? Has the minister had discussions with the oil industry and have they indicated their willingness to adhere to this policy?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): No, Mr. Speaker. We do not intend to introduce legislation with regard to the freeze. It is the intention to introduce legislation with regard to divorcing the Canadian domestic price of oil from the American market. Discussions have been held with the producers. We will be having additional discussions with the producers with regard to the request that was made yesterday.

INCREASE IN PRICE OF CRUDE OIL—POSSIBLE ACTION TO ROLL BACK—GOVERNMENT ACTION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): In view of the fact that the price of crude oil has risen four times in the past nine months, an increase of almost \$1.00 per barrel, despite the fact that in recent years the production cost per barrel has declined, has the minister or the