

● (1540)

—we regretted the level of those prices. The current crop year in which the prices have been significantly better will only show up in returns to the farmer in a final way when the final payments are made, probably in about six or seven or eight months from now.

That is clear. He is saying the final payment will be significantly better than \$1.59, but the farmers will have to wait six or seven months for it. What will be the loss to the farmers? The loss will result from the fact that we will continue to turn down sales at the highest international price for wheat which has existed for a number of years. Is it logical to expect that the international price will increase or will level off? The minister made the most honest gesture I have seen him make. He held up his hands indicating that he did not know.

**Mr. Lang:** I really meant, "You tell us".

**Mr. Horner (Crowfoot):** In any case, one might look at the crop reports from Russia. There is an article in the *Toronto Star* of Monday, June 18 entitled "Soviet grain outlook rosy". From my own knowledge, I can say the Soviet seeded more acreage in wheat last fall and this spring than perhaps ever before, and if the outlook is rosy they will fare fairly well this year. If the Russians do not buy wheat on the international market, that will take some pressure off the demand for the coming year. The United States has had plenty of moisture and may have a good crop. In the Prairies, even if the acreage is reduced below what the minister told us it would be, we now know the crop will be average, if not better, depending on weather conditions. We should encourage the farmers to deliver as much as possible now so that the market demand can be met.

The Secretary of State for External Affairs (Mr. Sharp) made a statement not long ago that China had committed itself to be the primary buyer from Canada, and that it would come to Canada whenever it needed wheat. Last week China purchased nearly 80 million bushels from the United States. Why did we not get in on that sale? It was because we did not have the wheat to sell. Just last week India asked for grain and we did not have it to sell. This is all very clear.

The Canadian Wheat Board knew the situation into which we were heading. Back in December, 1972, the board wrote the producers and said:

... that every additional bushel of grain that can be made available will be needed... We need a reliable figure before we can determine how much grain we can commit for forward sales to take advantage of the higher price levels.

That is what the Canadian Wheat Board said. Then, we had interference from the minister. This is why I believe the minister should immediately authorize the Canadian Wheat Board to increase the initial price or make an interim payment of 30 cents a bushel to the western farmers. This would bring the price up to a point where it would be partly comparable to the domestic feed price for wheat now in western Canada.

Farmers are not delivering to the Canadian Wheat Board. They do not believe that the final payment will be as great as the minister suggests. An economist in the province of Alberta, Mr. Walker, said that the estimate of

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20 cents to 25 cents for the final payment is right, and that it will be only that much. He goes on to say that it will mean the farmers will hold back their wheat and deliver it in the next crop year rather than deliver it this year. We are saying that if there is to be a final payment of some size, pay 30 cents of it now and encourage the farmers to make those deliveries.

**Some hon. Members:** Hear, hear!

**Mr. Horner (Crowfoot):** How does that compare with the prices the feed mills are paying now in western Canada? In a crop report put out by the Alberta Department of Agriculture for June 15, 1973, there is a list of the prices of feed grains throughout that province. The high bids in the Calgary district include wheat at \$2.12. The report states that Edmonton buyers bid for wheat at \$2.15 and in some places \$2.20.

The price list of the Federated Co-op in the province of Saskatchewan for wheat—not necessarily the best grade of wheat and they are not particular about the dockage charge either—in Saskatoon, Saskatchewan, in the minister's own province, quotes \$1.95 delivered at the mills. In Manitoba, the feed mills are paying \$2. In Winnipeg, they are paying \$2 for feed wheat. Today, if a farmer delivers to the Canadian Wheat Board for international sales, he receives at the time of his delivery something in the neighbourhood of \$1.55, depending on where he is and how much it costs to move his grain to the lakehead. The initial price is \$1.76 minus about 20 cents which comes back to about \$1.55. A 30 cent payment on top of that would make his initial price \$1.85 or \$1.86, depending on where he lived in the prairies. This would make him reasonably hopeful that, coupled with the final payment, that would mean he would be receiving as much as he could from the feed mills and the feed lots today in western Canada.

One can readily see that this whole question of orderly marketing has become disorderly marketing. In fact, in a recent farm publication, the *Free Press Weekly*, there are two articles, one of which is entitled "Disorderly grain marketing". The whole purpose and concept of the Canadian Wheat Board was to set up an orderly marketing system. Who has caused it to appear disorderly? The minister with his direct interference in the orderly marketing.

Now, what about the price? The same *Free Press Weekly* report on farming dated June 2 contains an article entitled "The price to sell at". If I had time I would read it. However, it points out very vividly that in our over-anxiety to make big sales and big deliveries before the October election, we may well have sold at too low prices and for too long a period in the fall. When one looks at the records one can see that we did sell to Russia and China at prices a lot less than the international price this year.

I see my time is nearly up, Mr. Speaker. I urge all members to vote for this resolution because if they do we will then have forced the government to pay the farmers the extra 30 cents, which should encourage them to make a maximum amount of deliveries between now and July 31. We would then be able to sell this grain for a portion of this year at the highest price possible. We sold for eight months below the international price and now perhaps we should make as many sales as possible at the highest possible price. Then, the final payment will not be too low