

Feed Grains

We also demand that something be done about the feed grain mess in western Canada which means that feed grain mills are allowed to buy outside the quota structure. The result is that in years when things are tough and quotas are small, farmers sell to the feed mills out of desperation, at bankruptcy prices—and the mills hose the hell out of everybody else. I do not know exactly what should be done about the feed lots, but some feed lots which are doing heavy buying locally should also be issued with permits as agents of the Wheat Board.

So there are these two problems. The first concerns the eastern feed agency and its inability to buy on the market in western Canada and deliver that grain in eastern Canada at a price which will remain uniform during the six or seven months in which supplies are not available. The second concerns the feed mills and the stories which come to eastern Canada that barley is fetching 50 cents a bushel, wheat can be bought for 65 cents a bushel and oats for 30 cents a bushel. Unless we can get rid of that situation, a lot of flak will be coming from eastern Canada, and rightly so.

I do not want to see trucks going out west to buy from the farmer. I do not think that is the way to carry on orderly marketing. I want to see equality between eastern and western Canada. Western Canada has the advantage of stocks of grain to feed the cows, but we have the advantage of the cows being near the market if we feed them here. In all circumstances, we should try to maintain the reasonable balance which has made agriculture an industry supported by both easterners and westerners. Let this minister not divide the country to the point at which the Wheat Board will be the question at issue.

● (2320)

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, this has been an interesting debate. We have listened to the hon. member for Saskatoon-Biggar (Mr. Gleave) being virtually contradicted by the last speaker. We have listened to the Minister responsible for the Wheat Board being chastised by the speaker who sits two seats behind him, the hon. member for Laval (Mr. Roy); we have listened to the eastern position put forward very creditably by other members of the House; and we have heard the statement of the minister in charge of the Wheat Board that agricultural organizations have met and have failed to come up with a policy to satisfy Canada.

All these contradictions of positions within parties would indicate there is still only one party in Canada which is national in nature and which has some hope of resolving this problem for the east and west. I suggest that in the caucus of the Conservative party hon. members are able to sit down, talk over problems and resolve them.

An hon. Member: What have you got in New Brunswick?

Mr. McCain: We are a little bit better off in New Brunswick than you are. This is a very serious situation in which we find ourselves. The agricultural organizations could not get together because there is no existing government or Wheat Board policy which would make it possible for eastern feeders in Quebec, or for feeders in any other part of Canada, to be assured that their livestock produce

[Mr. Peters.]

is in a competitive position with that of the western producer. This was the item lacking in government policy which made it impossible for agricultural organizations to unify and propose to the government what they wanted.

Lacking government policy in respect of equal opportunity for livestock production on a national basis, agricultural organizations are helpless when meeting to discuss this subject, and they will continue to be so as long as we have a "nothing" policy on agriculture.

It is interesting to hear the government being criticized by those hon. gentlemen to my extreme left in this House who voted in support of the government on every vote of confidence. They have been particularly critical in respect of agricultural policies. When their votes and their words are reconciled those speakers will become more credible.

There is an aspect of this motion which has not been discussed extensively tonight. I refer to the food industry and the critical shortage of vegetable oils in Canada so vital to the food processing industry. A lack of food commodities on the shelves in this country will result if this oil situation is not resolved.

There is another facet of the problem which has not been discussed, and that is the fact that certain protein producers in Canada are geared exclusively to the export market, primarily exports to the United States. The Minister of Agriculture (Mr. Whelan) said no concrete solutions had been put forward, but I should like to make one or two now.

The government of Canada should immediately undertake to negotiate with the United States the exchange of protein products on a pound-per-pound or unit-per-unit basis. One producer of soybean meal is going to shut down and others may follow because traditional markets have been removed by government action. It should not be very difficult to negotiate an exchange of units of protein with our neighbour to the south.

What is going to happen if this is not done? In my constituency there is an industry producing fish meal with a very high protein content. This is known as herring meal. This meal has not been purchased on the Canadian market but has been traditionally sold on the U.S. market. There has not been a tendency on the part of Canadian food manufacturers to transfer to fish meal. This could be done with a reasonable return to the manufacturer. If by chance this trend continues, this will mean the end of the fishing industry in the Bay of Fundy and will have a serious effect on the economy of that area in the very near future. There is no way the fish meal operators are going to pile up product which is not saleable in Canada at profitable prices, and fishermen will go out of business.

Let us carry this a little bit further. In processing certain foods in Canada we are accustomed to using soybean oil. In Canada we have traditionally imported that oil from south of the border. Is there no way we can negotiate with our friends to the south to keep these vital food industries in operation? Are the fishing people in the Bay of Fundy to be asked to go home to sit and wait while this no-policy government plays a game with rules it does not understand, accomplishing nothing?

We are going to find ourselves with an inadequate supply of margarine as a result of not being able to import