

Proceedings on Adjournment Motion

minister might make agreements with one or more provinces, as the case may be, who wanted to include paramedical services within their medicare programs.

[Translation]

Mr. Isabelle: Mr. Speaker, I listened carefully to the eloquent speech by the hon. member for Vancouver-Kingsway. Unfortunately, I am compelled to tell her that the answer which I gave earlier also applies to the question which she discussed and that I have nothing else to add.

[English]

GRAIN—BARLEY—PRICE SPREAD BETWEEN DELIVERIES
TO COUNTRY ELEVATORS AND FEED MILLS

Mr. Jack Murta (Lisgar): Mr. Speaker, I appreciate this opportunity to address the minister responsible to Parliament for the Canadian Wheat Board in the hope that I might clarify the question I directed to the minister in the oral question period on December 11. It was my impression at that time that perhaps the minister misunderstood the real sense of my question.

My question dealt with the disparity of 30 cents, more or less, between the price of barley delivered to Wheat Board elevators and the price paid for the same grain at the mills. This disparity represents in many cases the margin of profit that a farmer receives for his labour and his investment. In other words, if the average farmer in my riding delivered all his grain to the Wheat Board elevators at the present deflated price, he would end the season with a return roughly the same or less than the cost of producing the grain. He would be left with very little cash to meet current needs, and none at all with which to finance the new crop year.

This situation did not happen purely by chance, Mr. Speaker, nor was it in any way the fault of the farmer. In an attempt to make up for low volume of sales in the past, the government moved vast quantities of grain at low prices. This was done in order to be competitive and to be able to move grain out of the elevators. No one would quarrel with this as long as the farmer is not expected to accept the full burden of the lower prices. I will say more on that matter in a moment.

I would first like to point to another aspect of this situation, Mr. Speaker, where farmers find it more practical to deliver to mills rather than to elevators. Incidentally, the main reason for the price disparity is that there has been an increase in livestock herds, hogs and poultry, in Lisgar and so barley is at a premium, selling at 90 cents to \$1 a bushel. The second aspect is that the elevators in my area are far below capacity with respect to stored grain, so low in fact as to present a problem in filling the needs of domestic and foreign markets. In Manitoba the elevators would normally accommodate 52 million bushels. At this time last year there were 45.1 million bushels in storage, and at the present time there are only 24.1 million bushels in storage. These figures are from the Board of Grain Commissioners report dated

[Mrs. MacInnis.]

December 2, 1970. In spite of the fact that elevators in Manitoba are half empty, I do not believe there will be quotas available to farmers for some time to come, and certainly not before Christmas when extra cash payments will be sorely needed.

On Friday last the minister answered my question by asking if I was opposed to the present Wheat Board marketing system. The answer is no, Mr. Speaker. However, I know that the minister has the authority to act in order to meet extraordinary circumstances, and the matter to which I refer is an extraordinary circumstance. Therefore I respectfully ask the minister through you, Mr. Speaker, to consider two suggestions that I feel would go a long way toward alleviating this serious problem which besets the farmers in my area. First, I would ask the minister to consider allowing farmers in my riding, and ridings similarly affected, a further quota at the earliest possible opportunity. The grain is available and the elevators will accommodate such a quota. This would remove a problem of considerable proportions.

Second, I would ask the minister to consider an adjustment by way of a differential payment to farmers who have been penalized by delivering barley to elevators at the Wheat Board price of 67 cents per bushel. This would ensure a final payment in the spring, a move that I consider justified under the circumstances. I say this because I have good reason to believe from members of the grain trade that a final payment may not be forthcoming because of the low initial price at which the barley was sold. Such action on the part of the minister would prove to all that the present Wheat Board marketing system can be made to work in a variety of circumstances, instead of only within a very constricted area.

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I would like to assure the hon. member that I did understand his question. Of course, it is only a few short months ago that members were concerned about the differential between the price being paid for barley by feed mills and the price being paid when they delivered their grain to the Board. The feed mill prices were running at least as much as 30 cents below the board prices. We called it distressed pricing and indeed referred the question of distressed pricing to a committee of this House.

Since that time the market for barley has turned around, thanks in good part to the very vigorous efforts of the Wheat Board to move Canadian barley onto the market at competitive prices, which move the hon. member says he supports. He now points to a differential in price between non-board grain in his area and board grain, but I am afraid I do not quite understand his argument that there is a problem in the differential and at the same time there is a problem in lack of opportunities in the delivery system. The two are contradictory.

The fact is that an extra five-bushel barley quota, making a quota of 15 bushels, has been opened up in all blocks in the very recent past, and I can assure the hon. member that the Wheat Board will be opening that quota further just as soon as they think it desirable in their