

Supply—Agriculture

at the estimated cost of the construction of the grain elevator, one will see that the estimated cost of the addition has been static for the last four or five years. Obviously no account has been taken of economic pressures and the increase in construction costs which has taken place.

The Minister of Agriculture answered a question of mine yesterday by saying that the government was going to wait until construction costs declined before building the extension to the grain elevator. This means in effect that the minister is not going to proceed at all with the construction of the elevator. Everyone, including the government itself, is predicting that costs will go higher and higher, is predicting an increase in the gross national product in the years ahead, and increase in the money supply in the years ahead and an increase in economic activity in the years ahead. All these things cannot take place without construction costs also being higher.

Therefore, Mr. Chairman, if the Minister of Agriculture is going to wait until construction costs decline before he proceeds with the addition to the grain elevator at Prince Rupert he is going to wait for a depression because that is the time when the costs might come down to a level which he might consider to be correct. We cannot afford to wait that length of time. I submit that we have waited long enough in Prince Rupert for a recommendation in respect of a new port and agreement from the government to the idea of the grain elevator being extended. It is very discouraging now to have the government say that they cannot carry out that proposal because of an underestimate in respect of the initial cost of the project on the part of the government and, second, its inability to see that when tenders were called they would result in higher bids than normally would be the case because of the expansion and the boom in the economy. I think this casts a very serious reflection upon the government.

The judgment of the Minister of Agriculture and the department, when they decided not to proceed with letting contracts for the construction of the grain elevator in Prince Rupert, is a slap in the face to the people of Prince Rupert. It means in so far as the government is concerned that it would rather, one way or the other, directly or indirectly, build up Canada's grain shipping facilities in the Vancouver area and continue to look on

Prince Rupert as being sort of an orphan in respect of the shipment of grain in Canada.

I wish to put these ideas on the record now because of the decision made last Friday not to proceed with the construction of the grain elevator which I think was a grave error, and I urge the Minister of Agriculture to reconsider and look upon this matter with some favour.

• (5:30 p.m.)

Mr. Herridge: Mr. Chairman, there are two items, \$40,700,000 and \$1,663,000 representing payments to the Agricultural Stabilization Board account and the Agricultural Products Board account. Could the minister tell the committee the total amount paid out during the year under these two items?

Mr. Benson: Mr. Chairman, the \$40,700,000 is the estimated amount required to recoup the agricultural commodities stabilization account to cover the net operating loss of the Agricultural Stabilization Board to March 31, 1966. To go through the individual items of payments would take a great deal of time. They involve payments on the purchase and sale of butter oil, for example.

Mr. Herridge: I would not ask the minister to do that now. I asked the question because I was not sure whether this was the total to cover the net loss.

Mr. Benson: Yes, it is.

Mr. Rapp: Mr. Chairman, with regard to the \$40,700,000 to cover the operating loss of the Agricultural Stabilization Board, was that loss incurred in regard to deficiency payments on butter and cream or to what commodities does it apply?

Mr. Benson: Mr. Chairman, I could show the hon. member the breakdown I have here. It involves a great many commodities including butter oil, butterfat, milk, wool, eggs and sugar beets, for example.

Mr. Rapp: The breakdown is available?

Mr. Benson: Yes, it is available and I would be pleased to show it to the hon. member.

Item agreed to.

Plant and plant products—

35e. Grants, contributions and subsidies as detailed in the estimates, \$20,900.

Mr. Peters: Mr. Chairman, I notice there are only two grants enumerated here but I