

HOUSE OF COMMONS

Friday, September 14, 1973

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[English]

GRAIN

ANNOUNCEMENT RESPECTING 1973-74 FEED GRAINS PROGRAM

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I would like to give members of parliament up to date information on the implementation of the 1973-74 feed grains program.

The 1973-74 feed grains program includes two main provisions:

1. The pricing of feed grains, moved from the Canadian Wheat Board area to other parts of Canada, based on off-board prices within the Wheat Board area.

2. Buying of feed grains by the Agricultural Products Board to provide a broader base and give more certainty to the off-board market within the Wheat Board area. This will ensure that no producer in the Wheat Board area will have to sell his grain at distress prices even if quotas are not immediately available to him in what he considers sufficient quantity.

The Canadian Livestock Feed Board is working with the Canadian Wheat Board to determine the level of off-board prices in order to arrive at the base price for sales to eastern Canada. The price quoted at Thunder Bay for eastern markets will be this base price plus costs such as handling, transportation and storage that are associated with having grain in market position.

Monitoring of off-board prices on the Prairies will be carried out by Agriculture Canada under the authority of the Agricultural Products Board Act. Survey results will be provided to the Wheat Board and the Livestock Feed Board for their use in determining the off-board price. The monitoring will include sales to feed mills, feed lots, and to larger livestock and poultry producers within the Wheat Board area.

In addition to continuing to offer grain as in the past, the Canadian Wheat Board has reinstated a policy used occasionally in the past of offering feed grains on a deferred or provisional price basis. This means buyers can buy feed grains for later delivery at the Canadian Wheat Board domestic selling price in effect at the time of such delivery.

The first offering price of the Products Board will be announced within the next few days. Due to the build-up of grain stocks caused by the rail strike, actual purchasing by the Products Board will begin later this month. There-

after the Canadian Wheat Board will be able to declare prevailing selling prices based on the monitoring of off-board prices.

The Agricultural Products Board purchase program will be operated through the Canadian Wheat Board and country elevators in the Prairies. Producers wishing to sell to the Products Board will deliver their grain in the same manner as if they were selling to the Wheat Board. They will receive a cash ticket as they do with Wheat Board purchases. The payment they receive, however, will be a final payment and will not entitle them to participation in the pool final payments.

Feed freight assistance will continue to apply during the year and the Canadian Livestock Feed Board will closely observe movement and pricing in eastern Canada.

Mr. Frank Hamilton (Swift Current-Maple Creek): Mr. Speaker, anyone familiar with the grain industry is well aware that there have been many communications between the Premier of the province of Quebec and the right hon. Prime Minister of Canada (Mr. Trudeau). I want to quote from one letter addressed to the Prime Minister of Canada which reads in part as follows:

The damage to Quebec farmers caused by Canadian Wheat Board policies is now universally recognized. It has actually created the situation you are familiar with both for the Quebec government and for the farm organizations from whom you have often received numerous representations.

Moreover, you recently acknowledged those representations by officially and publicly pledging to produce a final solution to the feed grain problem before August 1, 1973.

• (1410)

It is now September 14 and from one end of Canada to the other there is confusion not only in the feed grain industry but in the entire Canadian grain industry.

Some hon. Members: Hear, hear!

Mr. Hamilton (Swift Current-Maple Creek): We have this government establishing initial prices on western grain under which there is a return of some \$2 a bushel to the producer. The Canadian Wheat Board is selling that same milling wheat for \$5.65 a bushel and the same durum wheat for \$9 a bushel on the export market. As I said, the farmer gets \$2 per bushel.

We have a program in the grain industry being imposed by stealth. What the farmers want are more options, and what we on this side of the House want is more opportunity to debate those options.

Some hon. Members: Hear, hear!

Mr. Hamilton (Swift Current-Maple Creek): What this announcement means is that we will now have a group of civil servants setting prices for western feed grains. I see