

member for Vancouver South were here I think we could proceed with Bill S-4. I also suspect that it would take only ten or 15 minutes to deal with that bill. Perhaps we could proceed with Bill S-6 now and adjourn it at 3.45 p.m. so that Bill S-4 could be dealt with this afternoon. It is a bad bill but it has to be considered.

Mr. Collette: Mr. Speaker, as usual the hon. member for Winnipeg North Centre gets us out of hot water. I thank him very much for that suggestion.

I understand there is no disposition to let Bill S-6 go through today. If we could proceed with it now, then we could halt debate on second reading at 3.45, immediately dispose of Bill S-4 through all stages, then go on to private members' hour. I wonder if that is agreeable to the House?

The Acting Speaker (Mr. Blaker): Order, please. It is moved by the parliamentary secretary to the President of the Privy Council that the next order of business will be Bill S-6, that debate will cease on Bill S-6 at 3.45 p.m.—

Mr. Knowles: That the debate be adjourned.

The Acting Speaker (Mr. Blaker): I apologize—that the debate will be adjourned, whereupon Bill S-4 will be taken under consideration. Is that agreeable?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Blaker): Agreed and so ordered.

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TWO-PRICE WHEAT ACT

MEASURE TO AMEND

Hon. Jean-Luc Pepin (Minister of Transport) moved that Bill S-6, to amend the Two-Price Wheat Act, be read the second time and referred to the Standing Committee on Agriculture.

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, as I was not aware this bill was coming up so soon I had to put a few notes together rather hastily.

This is a matter of concern to farmers in western Canada. The act was repealed some time ago, although it is still on the books. I suppose, therefore, that if a farmer really wanted to contest it in the courts he would have a good basis for doing so.

The basic purpose of the measure was to establish two prices for wheat. If the price was below \$5 per bushel the government would pay a subsidy to bring the price up to \$5 per bushel for red wheat. In contrast, millers would pay \$3.25. This would ensure consumers in this country of a reasonable price for baked goods and bread.

In November, 1978, the Liberal government of that day decided not to pay the subsidy any longer but the act was not repealed. Subsequent governments agreed that there should be

Two-Price Wheat Act

two-price wheat and there has been a disposition to bring in new regulations to set the limits at \$5 and \$7 per bushel under the Wheat Board Act.

The only problem we see is that this bill will not be proclaimed until August 1 this year. In effect, the government proposes to write off the last crop year. Consequently, farmers will not have the advantage of the maximum and minimum for two-price wheat.

We are also concerned about the flexibility of these prices. Most western farmers believe that they have been subsidizing the consumers of this nation for a long time, as the world price of wheat has been well above the maximum set in the old bill. As we all know, farmers are not in a position to subsidize consumers. Because of the high cost of production and the price they are paid for grains, they are having trouble balancing their books. For these reasons, many western producers of bread wheat have been very concerned about the limits established in that bill.

The new limits were set out in a press release issued by the Minister of Agriculture (Mr. Whelan). There is no problem with the lower limit as it appears that wheat is selling today at approximately \$5.50 per bushel. The price has risen above the upper limit, however, which really results in the farmers paying a subsidy to consumers. Our concern, therefore, is not with the lower limit established by the Minister of Agriculture, but with the upper limit. We would have more confidence in the bill if there was some flexibility in the upper limit.

I realize that the bill provides some ability to be flexible in the upper limit from time to time, but governments are notoriously slow in dealing with flexibility.

What this bill will do, in effect, is to make legal something that has been going on for some time. Basically, this party has no difficulty with that part of it. We have two problems with the bill which have already been put on record. When the bill moves to committee we would like to deal with the problem of missing the subsidy for a crop year. We would also like to deal with the upper limit and ensure some flexibility.

The price of wheat must be thoroughly discussed by the government and the leaders of farm communities in the country. For some time I have felt that there should be a minimum price for wheat on the international market. This has been recognized upon occasion and ignored at other times. Last summer I spoke with my American counterparts in Calgary and they were open to discussion being resumed in this area. I think part of that has been because many cartels have been established in this world respecting certain commodities. Canada and the United States probably ship in the neighbourhood of 70 per cent of the world's wheat to other countries. Canada and the United States should get together to establish a floor price for wheat below which we would not sell. That should be based on the cost of production plus what is considered a reasonable profit for farmers so that farmers can have a standard of living acceptable in this nation. That topic was discussed again just last weekend at a recent Canada-U.S. meeting in San Diego.