

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I have just indicated that the Quebec government did so in July and again last week.

* * *

● (1420)

[English]

GRAIN

DOMESTIC WHEAT—ADDITIONAL INCREASE IN PRICE TO WESTERN PRODUCERS—REQUEST FOR EXPLANATION

Mr. Jack Murta (Lisgar): Mr. Speaker, I should like to direct a question to the minister responsible for the Wheat Board arising from the statement he made over the weekend, one which has given rise once again to confusion among those engaged in the grain industry, particularly in western Canada. Could the minister explain the reasoning behind the additional 50-cent increase which he announced and which has been offered, really, to western producers to sweeten the pot?

Mr. Speaker: Perhaps the hon. member would rephrase the question. When a member asks a minister to explain the reasoning behind a decision he is really asking him to make a statement on motions. Maybe that is what the hon. member wishes to do. On the other hand, it may be he wishes to put the question in other terms.

Mr. Murta: I will rephrase my question. I should like to ask the minister why he considered it necessary to make this announcement concerning the additional 50-cent increase in Regina on the weekend and not in the House? To my knowledge, to this date he has never made a statement to the House.

Hon. Otto E. Lang (Minister of Justice): I hope to take the opportunity of the debate on the subject matter which will shortly be before the House to make a more elaborate statement this afternoon. The exact levels in relation to an agreement on prices for domestic wheat were subject to further discussions with farm leaders as well as with the Wheat Board. Those discussions took place in Winnipeg and Regina on Friday.

Mr. Murta: Will the proposed ceiling and floor the minister has talked about be in effect for the seven years he has mentioned in the House? Further, will the measures he proposes be brought in by way of legislation and, if so, when will such legislation be brought down?

Mr. Lang: Mr. Speaker, I would wish to discuss the matter further with my colleagues, particularly with the President of the Privy Council, in connection with the precise timing, but I believe a portion, at least, of the stated policy should be established by legislative enactment. I would hope we might find a relatively early period in the somewhat full parliamentary schedule when this could be done.

Mr. Murta: I should like to ask one further supplementary arising from the events of the past few days. Why does the government consider it necessary for one segment

Oral Questions

of the economy to subsidize the total economy, which is what the hon. gentleman's proposals would mean?

Mr. Speaker: Order, please. A question asked in those terms is not in order.

WHEAT—REQUEST THAT INITIAL PAYMENT BE INCREASED IN LIGHT OF HIGHER DOMESTIC AND EXPORT PRICES

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I have a further question to the minister responsible for the Wheat Board. Since the hon. gentleman has announced a higher price for domestically used wheat, and since the price on the international market is better than it has been, will he consider increasing the initial payment to farmers on wheat?

Hon. Otto E. Lang (Minister of Justice): The Wheat Board will, no doubt, be considering its over-all policy throughout the year with regard to the interim payments at least, even if it might not be appropriate to change the initial payment at this stage.

DURUM WHEAT—ASSURANCE THAT BENEFITS OF SUBSIDY WILL BE PASSED ON TO CONSUMERS OF PRODUCTS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I should like to ask the minister a question with regard to his policy concerning the pricing of Durum wheat, a policy which means that at present prices the producers will be subsidizing the domestic market to the tune of three or four dollars a bushel. Has the minister held discussions with the processors and manufacturers of pasta and other products of Durum, and has he received definite assurances from them that the benefits of subsidy will be passed on to the consumer?

Hon. Otto E. Lang (Minister of Justice): I did not enter into discussions directly with those manufacturers. The over-all pricing practices certainly relate the prices of these products to the price being charged for wheat. I might add that I take issue with the hon. member's suggestion that there is something in the order of a \$3 differential. The actual differential from the world selling price is certainly significantly less than that figure. Of course, in neither case is it a subsidy by the producers involved because what the producers are getting is a firm seven-year assurance as to the floor, which seems to me to be extremely good business for them in return for some limit at the ceiling now when prices are at record level.

Mr. Gleave: Mr. Speaker, I do not want to offend the rules of the House by entering into a debate, but I respectfully suggest that the actions of the minister come close to causing me to do so in that he has refused to make a statement to the House as to policy. As a final supplementary I would ask the minister when the government is going to be able to assure the House that in protecting the interests of the consumer it is not merely tying the producer down to a price that will assure excess profits for the manufacturers and processors of Durum wheat.

Mr. Speaker: The right hon. member for Prince Albert.