

Feed Grains

the only way we can arrive at an equitable policy on price and supplies for farmers in both western and eastern Canada.

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I urge that upon the members of the Creditiste party from la belle province. It is the only solution. If they will get behind this kind of support for a Canadian grains board an expanded Canadian Wheat Board, I am certain the producers of western and eastern Canada will arrive at something meaningful. I would even support adding representation from Quebec and the Maritimes to the Canadian Wheat Board advisory board so they will have some input into what the price and supply situation will be. Surely this is the way to develop a fair feed gains policy.

Mr. Norval Horner (Battleford-Kindersley): Mr. Speaker, I want to deal first with the United States limit on the export of oilseed products and protein minerals for feeders. I was alarmed to learn in my constituency that a lot of people are cutting back on production because of the high cost of feed supplements. I am also alarmed that with the world food shortage, producers in the United States are killing their chickens, drowning baby chicks, slaughtering sows and cutting down on food production.

In the United States broiler supplies will be down 10 per cent. Prices are expected to increase. Egg production is expected to decrease by 6 per cent. Prices will remain firm. Milk production will be down. Prices will certainly stay steady. All of this results from the high cost of protein supplements.

With regard to feeder production in the United States, there are 12 to 14 per cent less feeders going into the feed lot. That is an indication the price and demand will be strong in the future. The soybean supply will probably level off if the present crop comes up and fishmeal supplies are adequate.

I read with interest an article in the July 16 edition of *U.S. News and World Report*. It points out we run the risk of empty meat counters and black markets for meat. These are some of the alarming predictions for the future. This bill will have implications not only on wheat production but on all food production in Canada.

An authority on United States and world food production, Lester R. Brown, was asked about President Nixon's limits on U.S. exports. He was asked whether he thought this was a good idea. He replied, and I quote:

No, it is a serious mistake. It will clearly aggravate this country's balance-of-payments deficit—further weakening the dollar.

We must recognize that agriculture is one of the few areas where we have a strong competitive advantage. U.S. exports of agricultural commodities have shot up from 6 billion dollars five years ago to an estimated 11 billion dollars in the calendar year 1973.

He was further asked, and I quote:

What is the alternative to a limit on exports of farm products—food rationing?

He replied:

That might be necessary in one form or another. You see, what we are facing here is a trade-off: We can't hold down farm exports

[Mr. Benjamin.]

without endangering the dollar or triggering serious energy shortages.

It is interesting to note that the production of agriculture is that serious in the United States some people at least are concerned that a cut-back on exports would affect the energy crisis in that country.

According to the article, world grain reserves are at the lowest level in 20 years. At the same time world consumption of grain has increased 60 per cent in the past 20 years. There are other factors that affect the consumption of grain in the developing countries. It is estimated that each person will consume about 400 pounds of grain per year, either directly or through meat products. In a country such as Canada, we require about 2,000 pounds of grain per person. As incomes rise in the countries in between, their consumption of grain or grain products will increase. This has rather serious implications for our future plans in Canada.

The minister in charge of the Wheat Board has been making plans on how to handle a lot of wheat. In the United States one acre out of every seven is being used to grow soybeans in 1973. A few years ago very little of that crop was being grown. My point is that the tendency of world supplies changes very rapidly. The minister should think it over very carefully before serious plans are made with regard to our transportation system.

Why do we have a shortage of protein meal? As the previous speaker mentioned, there were warnings there would be a shortage. These were apparently neglected. Russia and China together bought 54 million bushels of soybeans from the United States. Perhaps they sold at too low a price. It is similar to the situation we are experiencing in this country today when we sell our wheat at a very low price.

Last year Russia purchased 28 million tons of food, the largest purchase of food by any country in the history of the world. This perhaps explains the sudden food shortage on the North American continent. Both countries sold food products at too low a price and now face shortages and very high prices for food products.

The other reason for this debate is the referred to rumor. Where did it start? Was it leaked intentionally? Was it accidental? It goes back to an article in the June 29 edition of the *Globe and Mail*. The rumour was that a cabinet committee recommended that feed grain be taken out of the control of the Canadian Wheat Board. This recommendation was on its way to the cabinet from the cabinet committee on feed grains.

Several weeks ago I heard the Minister of Justice (Mr. Lang) on a radio talk show in Regina. He stated there would be no need to discuss this matter at the Calgary conference. He knew the position of the premiers and the provincial governments and he was not going to change his mind. This brings us to some of the questions asked tonight by those on the government side. They want the opinions of the opposition parties and want to know what we would do. They come to us at the eleventh hour and ask for our advice all tied up in a neat package.

Why are they now asking us for advice? This policy has been under review for two years. The Standing Committee on Agriculture should have studied it. As a new member of