

report of the Standing Committee on Finance, Trade and Economic Affairs for Wednesday, May 23 last he said:

It has no effect at all, because since the days when world prices moved away from the international grains range minimum of \$1.95 the government has directed the Canadian Wheat Board to sell wheat basis first No. 1 northern and then No. 1 cw at \$1.95 at Thunder Bay to Canadian millers.

In other words, the government directly interfered and told the Canadian Wheat Board to sell wheat to Canadian millers at a lower price than the world price. The government took a hand and interfered with the decision of the Canadian Wheat Board in its attempt to achieve results for the Canadian farmer, thus bringing about loss of revenue to western farmers.

I know the minister will rebut what I say with his argument about the two-price system, but I have had some correspondence with the Canadian Wheat Board in regard to the two-price system. In their letter they say this:

The first of these is the fact that the two-price payment was not a Wheat Board function and any explanations of policy must come from the responsible officials in Ottawa.

Clearly, the Wheat Board disclaims any responsibility for the two-price system.

Again, the minister in charge of the Wheat Board further interfered in the operations of the Canadian Wheat Board. We all remember the famous grain income stabilization debate in the fall of 1971. During the agriculture committee hearings in June of 1971 questions were directed to the Wheat Board official, Mr. Treleaven, in regard to the Temporary Wheat Reserves Act and the payments that were due to the board automatically. As reported at page 58:8 of the committee report Mr. Treleaven said:

I do not know whether I can comment on the liability or the responsibility or the duty of the government in this respect, but under the existing legislation, yes, the money is due to the Board until such time as the legislation is repealed.

The legislation has never been repealed, and of course history proved us right in this regard. That fall the Prime Minister (Mr. Trudeau) admitted that the government had broken the law, that it could only break the law for so long but could not break it any longer, and consequently the payments were made. A payment of something like 18 cents a bushel was made to the farmers shortly thereafter. Surely, that is evidence enough that there has been direct interference with the Canadian Wheat Board operations by the present minister, to the detriment of the very people the Wheat Board is to serve.

One can continue and mention at length the colossal burden that Operation Lift placed on the western farmer through the attempt at direct control in the supply-management of wheat. The minister sat in his ivory tower and said he could foresee the years ahead and that we must discourage the farmers from producing wheat. I have never had anything against marketing boards or against the Canadian Wheat Board, but I do have quite strong feelings about supply-management. In this respect also, the minister directly intervened to implement a form of supply-management through the quota system, and the Wheat Board was told to follow it up, to the detriment of the very people they attempt to serve, the Canadian farmers.

There are all kinds of other references that I could put on the record. For example, in a recent speech in Winnipeg

Wheat Sales

this is what the minister in charge of the Wheat Board said:

The federal government got the prairie farmer out of the worst wheat crisis this country has ever known—

Then, he went on to say that, if he had his way, he would review the Crowsnest pass rates. But according to the minister, the federal government got the prairie farmers out of the worst wheat crisis they had ever known. If selling wheat is a crisis, then we are out of it because we do not have any to sell. It is evident today that we had to turn down an offer from India to buy—and I emphasize that word—about 70 million bushels of wheat at the going world price, which is a little better than \$3 a bushel, because we did not have the wheat to sell. We had to tell them to come back when the crop is in this fall, that we might have the wheat then.

Ever since the minister has taken over the responsibility of reporting to the House for the Canadian Wheat Board, he has deliberately attempted to save the federal government money under the Temporary Wheat Reserves Act. I say "deliberately" because I know it to be the fact. He has lowered stocks in country elevators and terminals, and I want the members of the House to realize that he has accomplished that objective. The Temporary Wheat Reserves Act states that all wheat in storage over 178 million bushels will be subject to storage charges paid by the federal government. The minister has now got commercial storage below 178 million bushels. I see he shakes his head to indicate that is not so.

● (1530)

Let me refer to a James Richardson letter, No. 11, of June 14, which states in part:

More wheat is moving out of the country and being milled domestically than is currently being marketed by producers, and stocks in commercial storage and in transit are down to 178 million bushels of bread wheat and 34 million bushels of durums. This raises the question of how much is still on the farms and how willing producers will be to haul it to the elevators as delivery quotas are now wide open.

Mr. Lang: That adds up to 212.

Mr. Horner (Crowfoot): One might ask why we have got ourselves in to this fix. I suggest it is directly as a result of interference by the minister. He deliberately sold wheat over a long period at the same price. We can see this by studying committee proceedings No. 5 of the Committee on Agriculture. Let us first refer to page 22. The hon. member for Vegreville (Mr. Mazankowski) was directing questions to Mr. Vogel, Chairman of the Canadian Wheat Board. He asked:

During this period, are you being forced to disregard any offers to market grain?

MR. VOGEL: Yes, indeed. There is more grain that could be sold now if it were on hand.

In other words, the Chairman of the Canadian Wheat Board admits we have turned down wheat sales because we do not have grain on hand. The minister in charge of the Canadian Wheat Board has succeeded in lowering the amount of stock on hand to such a dangerously low position we have to turn down sales.

It might be of interest to point out certain replies made by Mr. Vogel as they appear at page 15 of issue No. 5 of the