

Wheat Export Prices

producers and farmers of the world. The government has made extraordinary efforts in an attempt to keep in full operation the terms of the International Grains Arrangement. However, the fact that prices are not in line with the arrangement has tragic consequences for the farmers and wheat producers of the world, not only for those in Canada. It will remain the intention or the government to work as hard as possible to restore the I.G.A. to full operation

• (12:10 a.m.)

The problem facing the prairie wheat producers and farmers is a serious one indeed. It is a problem which this government recognized and which the Prime Minister (Mr. Trudeau) on his recent visit to the prairies saw at first hand. The Prime Minister's trip to the prairie provinces was particularly arranged so that he could meet face to face small groups of farmers, chosen in fairly random fashion across the provinces, and talk to them for a few hours in a small room in detail about the problem. This, after all, is a true way of communicating and is far superior to the one followed by politicians in the past, who have seen only crowds and communicated only by making speeches to the people, without hearing what the people have to say. The Prime Minister of Canada is not a politician of that sort. He went to hear the views of the people, to learn of their problems and to reason with them about those problems. He did that in a remarkable fashion on his recent trip.

An hon. Member: The minister may be the only one to think that.

Mr. Lang: Hon. members opposite have recited the difficulty. Being new to this place, I am given to understand that they consider their conduct politically proper. They refuse to recognize that hard action may be necessary to tackle this problem or to give credit for action the government has taken with regard to the grains arrangement. I know my colleagues, and other hon. members on this side, have spoken at length about the tremendous advantages accruing to farmers as a result of our cash advance program. Hon. members opposite tend to downgrade this program, as though interest free advances at a time when interest rates are high are insignificant and as though potential advances of several hundreds of millions of dollars at this time, too, are insignificant. Hon. members

[Mr. Lang.]

opposite also have heard described government programs which will enable the Wheat Board to sell Canadian wheat. It can be said that thanks in large part to the leadership of the Minister of Industry, Trade and Commerce (Mr. Pepin) no restrictions whatever have been placed on the flexibility the Canadian Wheat Board enjoys in seeking sales for credit. The facility which has been made available is indeed remarkable.

Hon. members opposite have asked for solutions.

Mr. Gundlock: Would the minister permit a question?

Mr. Lang: Later, if the hon. member does not mind. Hon. members seem to have forgotten that Canada's share of the world wheat market has actually gone up this year as compared with last year and that it is the reduction in total commercial demand in the world market which has had a drastic affect upon sales. They failed to put two and two together to realize that the large cash advances mean that the government has undertaken a program of buying wheat on the farmer's farm.

It ought to be obvious to hon. gentlemen opposite that it is not lack of sales alone, by any means, that is the problem. Prices in relation to costs of production must also be considered. Hon. members opposite from time to time have said that farm costs have gone up, largely as a result of the protection afforded to many people in our society. That protection has caused the farmers financial difficulty. Although they have referred to this fact, some hon. members have not referred to other steps in the right direction the government has taken towards long term sales and reducing farm production costs. For instance, we have such programs as the accelerated introduction of the Kennedy Round reduction of tariffs.

Here, I might also refer to plans to balance the budget and specialized depreciation items which were introduced to take some of the inflationary heat out of the economy. I also refer hon. members to the prices and incomes commission, which is designed to be one step along that road we must travel in bringing some control over those who abuse their power to set prices and incomes at levels which are not fair having regard to the position of the economy and true economic indicators.

Mr. Gundlock: On a point of order, Mr. Speaker.