

## GOVERNMENT ORDERS

[English]

### CANADIAN WHEAT BOARD ACT

#### MEASURE TO AMEND

**Hon. Charles Mayer (Minister of State (Grains and Oilseeds))** moved:

That Bill C-92, an Act to amend the Canadian Wheat Board Act, be read the second time and referred to the Standing Committee on Agriculture.

**Mr. Speaker:** Is it the pleasure of the House to adopt the motion?

**Some Hon. Members:** Agreed.

**Mr. Mayer:** Mr. Speaker, Bill C-92, an Act to amend the Canadian Wheat Board Act is important. The Canadian Wheat Board is of considerable significance to grain producers in western Canada. The Wheat Board has been in existence since 1935 and it has served western grain producers very well in that period of time. It is especially valuable now in an international market that is very depressed and very competitive. As testimony to the performance of the board, one need only look at what has happened to Canadian sales in the last three years.

• (1520)

At a time of very depressed international grain prices and very fierce competition for market shares, Canada's share of the international wheat market has increased every year for the last three years. It has gone from approximately 17 per cent two years ago to about 20 per cent. In this year, the International Wheat Council estimates that our share could be close to 24 per cent. That tells us something about the effectiveness of the Canadian Wheat Board and how it has functioned and served Canadian producers in the last period of time.

The Government of Canada recognizes the very difficult situation in which grain oilseed producers find themselves. We have as part of an over-all approach to the problem taken an approach that has involved three things. First, we have been very aggressive in the international market. The evidence is there and I just mentioned what has happened with wheat sales. We have been able to increase our market share because of the very good reputation of the Canadian Wheat Board. We have also relied on the reputation of the Canada Grain Commission which is a government agency that looks after the grading and weighing of Canadian grain. Its reputation worldwide is one that serves Canada very well.

We also have a good reputation as a country. We have never embargoed the sale of food to anyone and that serves us well in dealing with our customers. Those things have all helped us in our selling.

Second, we have as a policy provided a large amount of direct financial support to farmers. We know that no matter

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how much Government provides, the need is such that Government cannot step in and cover the total loss of income resulting from very depressed international prices. Nevertheless, in the time we have been in office the Government has increased by over 350 per cent its spending on agriculture and most of it has been in the grain and oilseeds sector. Again, that is an indication of the Government's recognition of the very serious problem agriculture is facing and the willingness of the Government to deal with it.

The third thing we have done, and I think most farmers and people who follow the situation agree that this is of vital importance, is to pursue a solution to the depressed prices internationally. We know, for instance, that in Europe those who produce durum wheat, a product used to produce macaroni, spaghetti and lasagna, receive in some cases as much as four times the amount Canadian farmers receive, yet Canadian farmers produce a very high quality product. Because of the discrepancies and differences in the system of support, Canadian producers are put at a very great disadvantage.

The solution to those problems must be an international settlement of the issue. Here we give considerable credit to the Prime Minister (Mr. Mulroney) who has raised this issue at both of the last summits. He has also shown leadership in seeing that the Government raises those issues internationally whenever there is an opportunity to do so. The Secretary of State for External Affairs (Mr. Clark), for instance, raises these issues. The Minister for International Trade (Miss Carney) has also been very effective in having some of these items placed on agendas involving trade Ministers.

This brings me to the amendments to the Canadian Wheat Board Act, the selling aspect of it. The Canadian Wheat Board is the sole agency responsible for the selling of wheat, oats and barley outside our country. It also has responsibility for selling wheat, oats and barley in the country when it is used for human consumption. Hon. Members can see that it has a very large role to play in the four western provinces in the marketing of wheat, oats and barley.

Additionally, the Wheat Board administers initial payments and operates a pooling system for sales of grain. The Wheat Board is also involved in the movement of grain in the sense that opportunities for producers to deliver are equalized over the crop year. The Wheat Board has a major function to fulfil.

The amendments before us are rather straightforward. Three of them bring the Act up to date and two of them make changes we think will allow the board to operate in a more effective manner. I will simply outline them.

The first amendment deals with the way the quota system operates. The Canadian Wheat Board uses a quota system which allocates a certain amount of delivery opportunity to each producer throughout the year, so that throughout the delivery or crop year each producer has an opportunity to deliver an equal amount of grain at certain times of the year. The reason for that is to give producers, whether large or