

payment is not set high enough, there will be no one interested in joining the voluntary pools.

I believe these problems could be worked out. There could be a *modus vivendi* whereby those who want to pool will have an opportunity to do so. Perhaps with time and experience the problems that arise could be worked out and the scheme made to work. I know that many oilseed and rapeseed producers prefer the open market. The plebiscite showed that. I am not averse to having this pooling.

This bill is not the perfect solution. It is experimental and possibly visionary. At least it is an attempt to come to grips with the problem of 200,000 or so permit holders with different ideas as to how their grain and oilseeds should be marketed.

**Mr. Les Benjamin (Regina-Lake Centre):** Mr. Speaker, after listening to the minister and the two speakers from the official opposition, I have reluctantly to conclude that there are still people around who do not learn from history. They do not profit from experience whatsoever.

I listened to the spokesmen from the government and official opposition expound the beauty and advantages of the open market *ad nauseam*. When the majority of the grain producers vote for the open free market, who are the first ones to run into this House saying they want a 90 percent guarantee of the initial payments of the voluntary pools? My free and open market friends. Where is the free and open market they say is so good?

How come that great commodity exchange and the great free open market for rapeseed and flax and other grains is so beneficial to the farmer? Why is it necessary to have voluntary pools which will sell that rapeseed on the open free market which, according to the government and the official opposition, is so beautiful? Both of them feel it should have a 90 per cent guarantee of initial payments against pool proceeds.

I thought this free and open market that the majority of rapeseed producers fought for was the be all and end all. That is what I thought from listening to the Liberals and Conservatives. In this legislation we have nothing more than the government, supported by the official opposition, shoring up commodity exchanges and oilseed speculators. It has little or nothing to do with the protection of the incomes of grain producers. It cannot succeed in light of the history of voluntary pools.

If the government were genuinely sincere about their support for the Canadian Wheat Board and the free and orderly market, they would quit trying to have it both ways. The government and the official opposition like to run on both sides of the street at once. They talk out of both sides of their mouths at once. They want wheat, oats and barley under the Wheat Board, and flax, rye and rapeseed on the free market. They want to have it both ways. The government will put up a guarantee in order to shore up their friends on the commodity exchanges. I question their motive and sincerity. I certainly question their logic.

#### *Canadian Wheat Board Act*

I am disappointed in the failure of the government to study the history of voluntary and contractual pools in western Canada since 1921. Voluntary pools are marketing pools in which membership is not compulsory as it is under the Canadian Wheat Board. They will be required to deliver all or part of their production by means of contracts. In this case I presume it will be signatures and permit books. I thought it was to be a voluntary pool. If it is a voluntary pool that the government and the official opposition want, why do they bring in that old bogeyman and make it compulsory? If you can volunteer in, why can't you volunteer out? Again they want to have it both ways. They want to talk out of both sides of their mouths. They are all for orderly marketing; rape boards are a great thing. They want voluntary pools with government guarantees to shore up the free and open market system.

● (2120)

Voluntary quotas assume the existence of some contractual delivery obligation on the patrons of that pool and Bill C-34 would oblige. Where is the "voluntary"? The bill obliges producers to deliver to their voluntary pool once they have joined. If you can volunteer in—I ask the question again—why can you not volunteer out?

Volunteer pools have risen and fallen before on the prairies. The most spectacular rise and fall was that of the wheat pool in 1923 to 1931. The voluntary pool was established then in the hope that it could recapture for the producers some of the benefits they had enjoyed under selling agencies during and right after the first world war. Then they had compulsory orderly marketing and it was felt that by having voluntary pools, starting in 1923, they could get the same benefits.

Well, what happened? The Canadian Wheat Board had removed seasonal fluctuations in prices to producers by pooling returns for the whole crop and making initial and final payments. Initial payments had also reduced the farmers' dependence on banks for operating capital. In 1921, a year after the Wheat Board was abolished and futures marketing had been reinstated, the average price to producers was down by 85 cents a bushel, a drop of 34 per cent from the previous year.

Producers in those days were more than even convinced that speculators were robbing them and the then premier of Saskatchewan, W. A. Martin, asked former Wheat Board chairmen James Stewart and F. W. Ridell to report on the prospects of voluntary or contract pooling. Their report cautioned that no voluntary or contract pooling would benefit producers as much as one compulsory pool such as they had experienced under the Canadian Wheat Board during the first world war. The report said voluntary pools could reduce seasonal fluctuations in producer prices and were worth a try. They pointed out that three-quarters of the prairie wheat corridor crop was marketed in one quarter of the year when prices were chronically depressed, and that more orderly marketing would increase the price to producers. Consumers would benefit as well, they said, because flour prices were tied to wheat prices. Consumers were buying flour made from low-priced wheat at