

### *Feed Grains*

through the next 75, perhaps not even through the next five years. Our policies must be flexibly shaped to meet new demands, the new diversities and the increasing world food shortage. They must be tied to farm economics, transportation, and the manufacture of farm products. That is a comprehensive job that must be undertaken.

We have debated feed grains in Canada. The truth is that there is a world food shortage, and this situation is not peculiar to Canada. I think that the government should at this time, and as early as possible, take the opportunity to tell farmers and consumers alike of the direction it will take in the next few months as we are heading into what could be a very, very precarious situation.

**Hon. E. F. Whelan (Minister of Agriculture):** Mr. Speaker, I have been listening with bated breath for some new ideas, new suggestions, for some revolutionary thoughts to come from hon. members opposite which would show that what we were doing was not right. So far I have not heard anything tonight which leads me to think that there are revolutionary thinkers on the other side of the House. If the farmers of Canada had refused to accept any change, we would still be farming with oxen and horses and hauling grain in high walled wagons. Hon. members opposite have not put forward revolutionary ideas which would apply to farmers anywhere in the world. That is the first point I want to make, and I shall emphasize some other things, too. All my life I have been a farmer, and I have recognized the need for change. I should like members of parliament who are taking part in this debate to put forward their ideas for changes.

Tonight we are talking about proteins and feed grains. The first point I want to emphasize in my statement tonight is that there is enough protein supplement in Canada to look after the needs of Canadian livestock and poultry producers until the new crop is available. Indications so far point to a record harvest of soybeans in the United States this year. The government has taken prompt and effective action to make sure that we will have enough protein supplement in Canada without scuttling the market of our grain and protein growers. We are keeping constant watch on the situation, and we are developing contingency plans for any trade or supply problems that might arise.

Based on current evaluations, we have enough protein supply in Canada for home use, although we may have some regional problems of distribution and we may perhaps need some adjustments in composition and level of protein formula feeds.

The half-informed statements, Mr. Speaker, about shortages and embargoes that have been bandied about the country sure haven't helped. They have only served to add fuel to the fire. In my view, some people are acting in a totally irresponsible manner, starting and repeating rumours for their own personal gain. These people seem to think that they will gain brownie points with public opinion by crying wolf. But it is the farmers and consumers who are paying through the nose every time these rumours encourage prices to rise.

Let me remind you, Mr. Speaker, that this is an international situation, and the entire international market is full

[Mr. Murta.]

of doubt and speculation. It is a situation where any fuel added to the fire only serves to encourage those people who own protein supplements to hoard their supplies and force prices even higher, as international commodity speculators shift their speculation from gold to agricultural products.

Food, as the world is realizing today, is the primary source of human energy. You could eat all the gold there is, but it would not do you one bit of good; you could die of starvation. You must have food. More and more the world is realizing that food is the most important commodity. We value our export markets and our customers that have been built up over a period of years. Because we value them, we have taken the action that we took. We want to supply those people in an orderly fashion, and the Johnny-come-lately speculators should only be considered after these people have been taken care of.

Let me review the situation as it applies here in Canada. We have been keeping a close watch on protein prices, a watch that started long before the recent price increases. As soon as soybean prices started to increase, we stepped up our background work and calculated the amount of protein we would need in Canada for normal feeding patterns as well as rations based on minimum protein use.

Our background work started long before the United States placed a temporary embargo on the export of a limited list of commodities on June 28. When the United States took that action, we moved immediately through an interdepartmental group set up to assess the Canadian situation. We held extensive consultation with the trade, we computed our estimated requirements and took into account the possibility of substitution.

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On July 5 the United States extended the restrictions to a further 41 items. The very next day I spoke to the annual convention of the Canadian Feed Manufacturers' Association at Winnipeg. I was able to discuss the situation with suppliers and users and get their assessment.

On July 11 meetings were held with representatives of the crushers and exporters, with representatives of the feed manufacturing and distribution trade, and then with the two groups jointly in order to make a final evaluation. Based on this evaluation, applicants for export licenses were informed that no exports of soybeans or soybean meals have been authorized. At the same time, we are moving into the final stages of the development of a new national feed grains policy for Canada.

Before going any further I want to say one more thing about protein. We depend on protein being imported into this country without control of any kind. We would not have that source of protein if we were only an avenue for some export speculators. I would defend our action at any time, any place, with anyone, as I have done several times already.

As we move into the final stages of the development of a new national feed grains policy we are at the same time confronted with a protein scarcity. This new policy, therefore, will be just as important, in fact more important, to the future of Canadian agriculture as the short-term situation we are now experiencing.

**Mr. Horner (Crowfoot):** It really depends on what it is.