

money than the producer of No. 2 wheat who will sell his produce at world prices, or the producer of No. 3. Unless the full going price is paid to the producer of No. 1, the industry must suffer from distortions. Under this bill we are penalizing the producer of good wheat who harvests it before the rains come and makes an extra effort. Surely he is entitled to receive the maximum benefit for a good product.

The minister brought in the LIFT program, which was surely one of the worst programs ever perpetrated on the farmers of western Canada. We have had far too much government interference in the grain industry. It is time for that industry to find its own level. We must make sure that support measures do not disrupt the grain industry and create distortions and stresses within it.

The minister has shown a marked intransigence with regard to COLA clauses. His attitude is distinctly similar to that of the Minister of Labour (Mr. Munro) who, in speaking of farmer-owned co-operatives, said, "unless rates paid to grain handlers, working under conditions deplorable as they are, are brought more into line with those paid to longshoremen, the companies will experience great difficulties in getting the manpower needed to man their operations." Yet what are the facts? Two shifts were back at work willingly within hours of Senate approval of legislation to end the strike. There was an excellent unloading day on Friday, October 11.

The government, particularly the Minister of Labour, have stated that farmer-owned co-operatives have one of the worst records in their relations with employees. Nevertheless, productivity at United Grain Growers' terminals in the last ten years, measured in bushels per farm, increased as follows: at Terminal A, Thunder Bay, it increased by 24.5 per cent; at Terminal M, Thunder Bay, it increased by 92.7 per cent. This is unbelievable, you will say. Nonetheless, it is true. The activity at UGG terminals at Vancouver decreased by 21.5 per cent.

It seems strange that results at two locations coming under the same board of directors and management should be so different. I believe that the total labour environment at Vancouver has more to do with the situation at the terminals than has been supposed. Further, I do not think farmer-owned co-operatives ever had difficulty getting all the labour they needed at Vancouver and Thunder Bay, despite what the Minister of Labour said. Actually, there is little difficulty with regard to procuring labour at Vancouver, even with extremely high wages paid in general there compared with the prairies.

I bring these matters forward because if COLA clauses are included in union agreements, we may need to revise the \$3.25 support in the future. The present bill and the previous bill with which the government settled the strike in Vancouver show, I believe, that the government intends to take over the elevator system. Possibly the government will levy a charge related to the \$3.25 in order to run the elevator system. Actually, the National Harbours Board No. 2 elevator at Vancouver is not operated at all because it is too expensive to operate. If the government wants to provide money for grain farmers, and wants grain co-operatives to handle grain, it must provide to farmers a base price which is large enough to enable them to meet their commitments in moving grain.

Wheat Payments

The minister himself suggested that automation may provide the cure for the grain handling industry. But automation means that we must spend great gobs of money, which grain companies do not have and will not acquire if they charge merely the 4½-cent a bushel handling tariff. The Canadian grain terminal system can only function because it is old. It was built when costs were a fraction of what they are today. Replacement costs are on a completely different scale. I think that government involvement in the grain handling system will mean that we will pay a large price for the operation of our grain handling facilities. Under private ownership of the facilities there is an incentive to save grain. Private ownership provides the incentive to save grain and grades by cleaning to the closest tolerances. This prevents waste of good grain in dockage, and so on.

Mr. Benjamin: You don't believe that, do you?

Mr. Ritchie: No such incentive will exist for government operators, and the farmer would be the loser. I think we must look at the total costs of such operations. This bill deals with only part of the present cost involved in moving grain from the farm to the markets of the world. At page 237 of *Hansard*, the Minister of Labour said, "the companies are convinced that sooner or later they will sell the grain they now have on hand." The minister should know that 83 per cent of all grain shipped to Vancouver is Wheat Board grain which is owned by the government of Canada and for which the minister in charge of the Wheat Board is responsible to this House. The companies have neither financial control nor interest. He went on to say they do not even have to justify their actions to the membership. The directors of prairie co-operatives are elected by a most democratic process. All farmer members are allowed to vote. They in turn elect the officers of the company.

● (1730)

In committee we should have the input of people who know the grain industry, particularly from the side of the farmer. Many of them have a great deal of experience. I hope this bill will receive close study, not only within the narrow range of \$3.25 at one end and \$5 on the other, but we want to know what the government has in mind for the future. What will the cost be to move grain from the farms to the markets of the world? Will we be developing alternate shipping through the Mississippi or Seattle in addition to our eastern and western terminals, as well as trucking, and so on? All these matters should be discussed. A useful purpose will be served by widespread discussion of this bill in committee.

The Acting Speaker (Mr. Penner): Order, please. I wish to advise the House that if the minister responsible for the Canadian Wheat Board speaks at this time, he will close the debate at this stage of the bill. Is this agreed?

Some hon. Members: Agreed.

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I rise to make a very few comments to conclude this debate on second reading, in order that the bill can go before the committee for further consideration. I welcome the support which the bill has received; it seems to be unanimous