

### *Feed Grains*

What was the result? The result was the appearance of a surplus of rapeseed meal and rapeseed products in Canada. That action limited our ability to export rapeseed products, whether in the raw form, in the form of oil, or in the crushed form. When you limit the sale of a commodity, you tend to create surpluses and bring down the price.

The minister and his supporters should examine closely who sold short on the fall market for rapeseed. Who will benefit most by the government's decision to limit the export of rapeseed? I suggest that those who sold short will benefit most. The people who gambled on the commodities market and sold short will be the ones who will gain. Who they are is easy to determine. We must merely find out which crushing mills in western Canada or elsewhere are not living up to their contracts.

I am told that some crushing mills in eastern Canada are not living up to their contracts and are nearly broke because of the increased price of rapeseed and flax seed. They can only get out from under if we create an artificial situation in which there is a surplus in Canada. We can do that by imposing a rigid system of permits and licenses to control the export of those products. Those who gamble on the futures market may not lose as much as was anticipated as a result of government action. The minister and the government must explain why they reacted so readily in curtailing the export of rapeseed meal, when rapeseed meal will not take the place of soybean meal with the feed grains industry of Canada.

Actually, as I said, rapeseed will only supplant about 10 per cent of our need for soybean meal. That is the question the government must answer in dealing with the motion proposed by the hon. member for Saskatoon-Biggar (Mr. Gleave). The government owes an explanation to the country. Was it trying to save the people who sold short on the futures market? Were those people involved in the crushing business? Did they operate crushing mills in eastern Canada or elsewhere?

I know the answers to some of these questions. I will not put them on record, because when someone is nearly broke, he needs all the help he can get. The minister knows these names as well as I do. I notice he is smiling. Was he trying to bail them out? The minister made some comment just now which I did not hear. I know he will make a speech. Before I stood up I hoped he might stand and make his speech and tell us what he knows about these things. He will have his chance to make his speech, and no doubt will make a poor defence of his policy.

Dealing with the new sale and pricing policy with respect to domestic feed grains, it is a fact that eastern Canada has been concerned about the pricing of feed grains. As recently as 1970 there were rumours of feed grains being sold in western Canada at fire sale prices. Quebec wanted part of that market but has not been able to get it. Feed grains at fire sale prices are not in evidence anywhere in western Canada today. Only in eastern Canada, in cases where the government has been paying the freight on feed grains, have feed grains been selling at less than international prices. Ironically, the minister has not obtained any real political benefit from that action. Quebec is every bit as opposed to the present pricing policy as it has been opposed to such policies in the past. The president of the agricultural producers, the largest

[Mr. Horner (Crowfoot).]

and most important farm group in Quebec, has stated that his continued affiliation with the Canadian Federation of Agriculture depends on solving the feed grains pricing issue in a satisfactory way. He made no secret of that. I sat in on the Federation of Agriculture conference last winter and heard that anxiety expressed.

What has happened since then? The minister called some secret meeting of western farm leaders here in Ottawa, I think about two weeks ago last Friday. That is, western farm leaders were invited to Ottawa, and the minister made statements in the presence of those farm leaders. He told them things that he has not revealed to this House or to the committee and has stirred up a hornet's nest.

In a radio show in Regina he said in answer to certain questions what he would do on July 22. That is prior to the opening of the western economic opportunities conference. Then the following week in the House the Prime Minister (Mr. Trudeau) straightened out his wayward supporter from Saskatchewan and said that this whole matter would be discussed at the western economic opportunities conference. The minister has now learned his lines well, and says that this whole matter will be discussed at that western economic opportunities conference.

The paper tabled in the House and purporting to contain what he told farm leaders here in Ottawa says nothing about the matter at all. There is a discussion of oil seeds and the problems of marketing oil seeds as well as other problems peculiar to oil seeds, but there is nothing on what is bothering the government with regard to pricing arrangements to do with the sale and marketing of feed grains.

Does the minister really think that the Canadian Wheat Board has done a poor job in this regard? Since the minister reports for the Canadian Wheat Board, he should stand up in this House and tell us if that is what he thinks.

My party, as the hon. member for Saskatoon-Biggar said, originated the Canadian Wheat Board. We have believed right along that they can and should do a good job. We do not necessarily think that their authority should be usurped by some know-it-all minister, who may be in charge of the justice portfolio, or of the agriculture portfolio. The minister should leave some authority and responsibility to the Wheat Board. The present minister has attempted to invade both these prerogatives and has clouded the issue so much that the Canadian Wheat Board as of today does not know whether, after August 1, the beginning of the next crop year, it will be in charge of barley and oats.

That date is significant. The minister in charge of the Canadian Wheat Board has repeatedly said in the House that a feed grains policy will be announced by August 1. Why August 1? Why not July 1? What is significant about August 1? The Wheat Board crop year ends on July 31 and the new year begins on August 1, so one can assume that on August 1 the Wheat Board year will begin somewhat differently from the way the Wheat Board year began one year ago, having regard to barley and oats. Perhaps it will have less responsibility and some changes will be made.