

Supplementary Estimates

I should now like to turn to a more serious matter in its impact, at least in many ways—the new use of quotas to restrict deliveries. The government has proceeded in this matter by regulation, though many people still feel it should have been done by legislation. After all, this is a drastic change in the whole pattern of grain marketing and there has been no opportunity for debate on this important matter and no opportunity for the elected representatives of farming groups and other interested parties to appear before a parliamentary committee such as the Committee on Agriculture. This is what we would normally expect. It would seem that voluntary action might have been obtained with the same results.

The new regulations carry a very large stick indeed, since the producer's deliveries will be restricted if he fails to utilize his land in a fashion approved by the government. I should like to quote from an editorial which appeared in the *Winnipeg Free Press* of March 20 under the title "Is it legal?" It refers to the regulatory powers of the act and states in part:

But it is certainly not self-evident that there is any such power in the act. One looks for it in vain in article 4, which sets out the board's specific powers; for example: "to buy, take delivery or, store, transfer, sell, ship or otherwise dispose of grain"—

It goes on:

These obviously are marketing powers. There are a pair of basket clauses at the end empowering the board to act as an agent on behalf of a minister or the government "in respect of any operations that it may be directed to carry out by the Governor in Council" and "generally to do all such acts and things as may be necessary or incidental to carrying out its operations."

It continues:

Obviously an acreage reduction program cannot be classified as an "incidental" and it has not been "necessary" in more than three decades of Wheat Board experience. The preceding language is presumably to be read in the context of the whole act. At face value there would be no limit to what the board could do on government direction, but this would be a nonsensical construction. In fact the act has to do with marketing and it is certainly arguable that production is a quite different subject.

Other sections of the statute, for example those dealing with permit books and powers of administration, appear no more helpful. Even the definition of quota looks difficult; it means "the quantity of grain described in a permit book as fixed from time to time by the board." How is "grain produced" to be equated with summer-fallow or, for that matter, forage? While it is beyond question that the board's powers over marketing, as established by past cases, are very extensive, the presumption that they are ample

enough to permit it to alter production patterns under threat of penalty certainly invites serious challenge.

Regulations ought not to have a retroactive effect. A farmer who summerfallowed land last year voluntarily is automatically being penalized by some loss of his quota entitlement. There is no escape from the penalty which is inherent in the quota, and the penalty is a matter of regulation and not of legislation passed by Parliament.

Further on the editorial states:

In this case 188,000 producers, who were obviously not consulted as individuals, have been suddenly confronted with a requirement that they alter their whole scheme of production. Quantitative changes in quotas are, of course, usual but in this instance the whole basis of establishing quotas has been changed overnight from the practice of three decades.

So the workings of this act or regulation, which might have produced a useful effort, will not contribute much toward the reduction of grain without a serious loss of income and damage to the western grain economy. This program seems to have been devised hurriedly, and with little thought, by people who are not fully conversant with the needs of the western farmers. In concluding these few remarks, I urge the minister to withdraw or make major changes to this program. It might be a useful program, but I suggest that the problem of surplus wheat can be solved only by selling. We cannot in one year curtail the production of western grain to the extent that we will end up with little or no surplus. I sincerely hope the minister will take a good look at what he has proposed and make some very useful changes.

Mr. Les Benjamin (Regina-Lake Centre):

Mr. Speaker, I rise to take part in this debate on the supplementary estimates and to deal further with a matter my colleague, the hon. member for Saskatoon-Biggar (Mr. Gleave), initially brought to the attention of the House. The hon. member for Dauphin (Mr. Ritchie) has spoken on it, and I expect one or two more hon. members will deal with this matter when I have concluded my remarks.

For anyone to suggest that this so-called Operation Lift—I believe the hon. member for Mackenzie (Mr. Korchinski) had different words for it, and I have regarded it as "Liberals Increasing Farmers' Troubles"—is being approved and accepted by anything more than half the farmers in western Canada, let alone the majority, is to indicate that he is suffering from delusions of some kind.