

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the procedure provided for in the legislation for a railway to obtain subsidies is a procedure whereby the railway first applies for abandonment. That is the procedure being followed at this time. Therefore, the question of actual continuation of the service is one that will be determined in the ordinary course by the Canadian Transport Commission.

Mr. Crouse: In view of the importance of the CNR connecting link between Liverpool and Yarmouth and the fact that the railway has indicated it must discontinue this because it is operating at a loss, will the minister investigate the proposed action and inform me of the amount of the stated loss on the operation of this service, the charges made against the service which led to this loss and whether, in light of the economic effect upon this section of Nova Scotia, he will recommend to the CTC the continuation of this service.

Mr. Lang: Mr. Speaker, I will certainly take the suggestion about representations under consideration. I will attempt to obtain the figures as quickly as possible for the hon. member. I would, however, like to again emphasize that it may be wise for us to look as well at the legislation and the terminology. It might be better if we can provide for an application for a subsidy instead of having to go through the form of application for abandonment which always causes undue concern.

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GRAIN

EFFECT OF ANTI-INFLATION GUIDELINES ON EXPORT AND DOMESTIC PRICES—PAYMENT OF AMOUNT OF INCREASE OVER DELIVERED PRICE

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I have a question for the Minister of Transport in his capacity as head of the Canadian Wheat Board. It is a very serious question in light of the fact that this is a \$2 billion industry and the world market price for wheat is now over \$5. a bushel. What effect will the anti-inflation program have on two factors; first, the export price of grain which of course is set by contract with the Wheat Board and, second, the domestic price of grain sold in Canada which was previously fixed during this or another session of parliament?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the Canadian Wheat Board markets wheat and barley abroad. It does so at world prices. As a result of current prices, it is probably more like a \$3 billion than a \$2 billion industry. Those prices will continue to be set by the world market. They will be unaffected by any action we have taken. In the case of wheat domestically, there has been a fixed price in terms of the consumer in Canada since the adoption of the two price wheat policy a couple of years ago. As a result, there has been no effect upon the price of bread due to changes in wheat prices in that period. There is, of course, a partial payment from the treasury to the wheat producer which offsets some of the advantage the consumer receives in the lower price for grain. In the case of feed grain, there is basically an open market situation.

Oral Questions

There, the ordinary supply and demand forces will be allowed to work. That is the implication of our statement that the guidelines do not apply in such a highly competitive area as that of farm products.

Mr. Woolliams: At the time of the combining of grain in western Canada, which used to be referred to as threshing of grain, the country elevator price for wheat was set at approximately \$2. I believe that price has now increased to three something. Why was it set at \$2? Will those who received \$2 when the delivery was made now receive cheques for the increase to \$3.50, I believe it is?

Mr. Lang: Yes, Mr. Speaker. The setting of initial prices for the last five years has been done initially on March 1 for August 1 and the subsequent period. In the last three years at least, we reviewed that when more up to date information about marketing conditions was available. We have in each of the last years increased the initial price at that time by an amount of the order of magnitude to which the hon. member refers. Those who delivered grain between August 1 and the time of adjustment receive a payment for the difference as soon as feasible. I should emphasize that this is all the grain producers' own money in the sense that it is anticipated proceeds from the sale of that grain into the market.

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[Translation]

FISHERIES

POSSIBILITY OF NEW POLICY ON HUNTING OF SEALS

Mr. Albert Béchard (Bonaventure-Îles-de-la-Madeleine): Mr. Speaker, I would like to ask the Minister of State (Fisheries) a question.

In view of the constant uncertainty felt among fishermen who go in for seal hunting in Canada, particularly in eastern Quebec and the Maritimes, and in view of the study undertaken by scientists in his department and by the committee on seals and seal hunting, could the minister tell the House whether he might announce a new policy in this area in the near future?

Hon. Roméo LeBlanc (Minister of State (Fisheries)): Mr. Speaker, indeed new scientific data indicate that the stocks of seals are seriously threatened. Yesterday, I met Professor Keith Ronald, chairman of the committee, and some of the fisheries scientists, who confirm that we will have to consider reducing drastically our catch in the coming season. We undertook a series of consultations with all the interested parties, and in particular with the fishermen, the industry as a whole, and two other countries concerned, namely Norway and Denmark, and I can assure the House that, to the extent where we can protect the interests of our fishermen, we will do so eagerly.