

Senator Argue: Almost.

Senator Buckwold: Almost? Well, I must be the one that does not make it unanimous because I think it is time we stopped witch-hunting in western Canada and using the CPR as the whipping boy. It is always a great way of diverting public attention. I happen to be one of those who feel that the railway is doing the best it can under the circumstances.

Senator Argue, as a proponent of orderly marketing, has been reported—I believe by a publication of the Wheat Pool—to have suggested that he favours a much larger application of farm-stored grain as a means of orderly marketing. I have no objection to that particular concept. My question to him is: Is this plan being worked out, or is it just merely an expression of opinion, and if it is being worked out, what kind of advances will be given to the farmers of western Canada for grain that is stored on their farms? Will he follow the American procedure of, in fact, buying the grain and paying the farmer and paying him a charge for storing it, or will it be just a case of another small cash advance and letting the farmer carry the burden?

Hon. Hazen Argue (Minister of State for the Canadian Wheat Board): With the indulgence of the Chair, I should like to comment on Senator Buckwold's statement about the CP inquiry. I now have to agree that the desire to have the inquiry is not unanimous in this chamber, although this is the first voice that I have heard in opposition to it. Senator Roblin certainly was not complimenting me or anybody else for thinking about it, but I did not hear him say that he would oppose it. I hope it goes forward.

Senator Roblin: First of all, we have to find out whether you are going to do anything.

Senator Argue: I think the inquiry should take place. I think it could be very useful. The Crowsnest agreement is associated with the granting of large tracts of land to the CPR, although it did not happen in the same year. I think it was part of the deal that was entered into in a certain area. If you are going to say that the Crowsnest rate in statutory form is not firm and, therefore, should be changed, I do not see why the grain producers of western Canada should have to accept an additional transportation burden. If, at the same time, the country says that those grants, revenues and large sums of money that have come to the CPR since that time, are permanent, then perhaps the Crow rate should be permanent.

I do not want to have any part of a witch-hunt. I think it is important to the people of Canada that the facts are known. To obtain the facts one does not need to pillory the CPR or to engage in a witch-hunt, but I believe it can be done by persons of a very high calibre and could result in clearing the air and seeing what the facts really are.

In regard to the question of an inventory program, and whether that has been refined to the point where it might be considered something like a cash advance or loan or something else, I can say that a good deal of consideration is being given to this whole question. It comes about in part because of the recent meeting between the Canadian Wheat Board Advisory Committee and the Advisory Committee of the Canadian

Livestock Feed Board in which they suggested that they would approve the Wheat Board's having full jurisdiction over the marketing of coarse grains as long as there is an inventory policy in place which would make it possible, at a time of surplus barley production, shall we say, in the prairies, for that grain to be taken off the market at market prices and not allowed to distress the local market to the point that feeders on the prairies have a greater advantage than feeders in eastern Canada. That is one of the places where the policy is being supported.

It is being supported as a good idea because of the recent conference in Saskatoon sponsored by the Canadian Wheat Board and its advisory committee on the whole question of production and the necessity of greater production on the prairies to meet the opportunity of larger world markets. It was said at that conference—and I agree—that if you want to have grain producers confident enough to go out and do their best to increase production to a large degree, they need to be assured that if they should have a bumper crop, and if that bumper crop should take place when world demand is softening, there is some mechanism in place to take the temporary burdensome surplus—temporary even though it may be—off the market and give them some buying power.

The idea is also supported in international discussions about a wheat agreement. It is said if there is going to be a wheat agreement that is meaningful, there must be some policy of inventory support in the interests of grain producers and consumers. That is where the support is coming from.

● (1500)

As far as a defined policy is concerned, there certainly is not one. I could talk about the American policy, but that does not really involve buying wheat on the farms; it involves making loans under certain conditions with certain stipulations.

I think there is room for the Canadian Wheat Board to give consideration—and this is not a cabinet directive—to the possibility of extending its area storage jurisdiction from the normal terminal positions and the country elevator positions, perhaps in a modest way, to on-farm storage. I am not saying it should be agreed to or opposed; I am saying this is something that should be looked at.

It would seem to me that one could ask whether the Canadian Wheat Board might take into its own storage program some modest quantities of grain and store them on the farm, pay the farmers for the grain, pay them the regular storage, but have it completely understood that whenever the Wheat Board needs that grain, and its instructions went out to the farmer to market it, that grain would be taken to market. I think that may be a very useful part of the normal marketing system. Certainly I feel it is a question that should be looked at, and, as far as the advisory committees are concerned, their target is to have whatever they are endeavouring to do in place by August 1. That is the earliest date by which this matter could be finally agreed to.