

Western Grain Stabilization

give food at the least possible cost to the national treasury should various groups feel that we should be altruistic, giving away large quantities of food. At the same time, the taxpayer will try to prevent that tremendous give-away of the taxpayers' money.

With the Canadian Wheat Board able to handle wheat and barley and exercise control in respect of flax and rapeseed, it is unfortunate, but true, that government agencies will be able to conceal how much grain is sold by government agencies and at what price. Indeed, the Wheat Board has to a large extent lost the ability of knowing to whom, and at what price, the product is being sold around the world. Perhaps the circumstances surrounding the recent plebiscite respecting the advisory group to the Wheat Board will have some benefit in this area.

This bill in itself does nothing to solve the main problems facing the grain industry today. It will not in any way help the grain transportation system or the grain handling system. We have witnessed in our transportation system, since the last election, the great vulnerability in respect of the grain industry to work stoppages by a relatively few people involved in small unions and key transportation positions in the movement of grain. It would be nice to think that the movement of grain will continue without interruption after the rash of strikes we have experienced.

Parliament has put the grain handlers in Vancouver back to work and has legislated in respect of the longshoremen's strike. The problems in Vancouver could have been foreseen and handled in a better and easier way. Even at the present time the longshoremen in Montreal are not returning to work, and the export movement of western grain, while not being stopped completely is being slowed down substantially. At the moment there are only three or four berths available for ships at the St. Lawrence ports which are working, while eight or ten berths in Montreal are standing vacant, resulting in ten or twelve ships waiting in the Gulf. Almost certainly, the port of Montreal will gradually lose its ability to export grain and in time other avenues must be opened for that export segment of our Canadian grain industry. This bill in itself will not help the situation and in fact will probably hinder it. The obvious answer is to open other channels for export, perhaps through Portland, Oregon, or perhaps by expansion of the facilities at Churchill. Only by extending the avenues of export as widely as possible can the western producer of grain be assured of alternative export channels.

Turning again to transportation problems, this bill does nothing about branch line abandonment, and there is a great debate taking place in this regard. I might say that the minister in charge of the Wheat Board has the whole rural country upset because of an assumption that half the railway lines are to be phased out next year. I think this has caused unnecessary consternation on the part of many people in the prairies. There is a possibility that many branch lines on the prairies will be phased out. This will result in the necessity of trucking more grain over longer distances. Experience on the great plains of the United States would seem to indicate that the economical trucking of grain for much longer distances than we have been used to is both practical and feasible.

[Mr. Ritchie.]

This bill will be administered to a large extent by the Wheat Board. The Wheat Board has the records of the individual farmers, and it is on this basis that presumably payment will be made. By and large, the Wheat Board has been a faithful servant of the producers, even though at times it has been heavily influenced by political decisions of the government. In my opinion, the Wheat Board has been giving false clues as to the grain outlook for the coming year. While the price of wheat at Chicago hovered around the \$3.50 mark, the Wheat Board consistently held the price at \$5 from January to April. Presumably, the Chicago price reflects the thinking of traders as to what the price should be, and while this may not be necessarily right it seems to be a good barometer.

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While the Wheat Board held the price at \$5 there was protest that as grain stocks around the world were low, the price of wheat should be higher. Only the other day was the price dropped by 54 cents to \$4.46 by the Wheat Board so that we might compete with the United States in respect of the sale of wheat to Japan. The price of wheat quoted by the Wheat Board has great influence on the plans of farmers for the coming year. No doubt the Wheat Board was not able to offer much grain between January and April, so they left the rate high in order to discourage anyone from asking for a quotation. I believe such actions of the Wheat Board are a disservice to the farmer who attempts to plan his production for the coming year.

Turning to the bill and the manner in which it will help the grain industry, there are many unanswered questions. It seems desirable that there should be some form of support for the grain industry, but the manner in which this should be applied brings out the great complexity of such a program. This bill is no exception. The complexity, essentially, is caused by the nature and structure of the industry. There are approximately 175,000 permit holders and we would hope that number would remain the same or increase. An enormous number of individuals are involved. Some of these are large operators who have up to thousands or acres, while many others are much smaller.

Again, the situation is complicated by the fact that the five principal grains involved are grown in different quantities in different regions of the prairies. For instance, in my riding of Dauphin, flax and rapeseed would make up a substantial portion of the individual sales of farmers, much more relatively than would be the case in southern Saskatchewan. The mechanism that would trigger off the payment to producers is to be almost wholly dependent on production and sale of wheat. If the wheat crop should be poor or the sales low, then a pay-out would be made. I believe to a large extent the bill will be most beneficial to the wheat farmers of the prairies, the largest proportion of whom are in Saskatchewan.

The failure of the bill to provide for a regional pay-out seems to be a very great weakness. Without having a regional feature, the bill will not very effectively serve the needs of the province of Manitoba. An analysis of the amounts of money involved would show that the bill will not be very expensive so far as the federal treasury is concerned. Inflation will almost certainly continue, so the pay-out will always remain less onerous than it would be had the calculations been made in constant dollars.