

Montreal. This board is responsible for all Canadian provinces except the prairies. This year, the act was amended to include the Northwest Territories and the Yukon. As a matter of fact, this government initiative was aimed at meeting several needs. Through their farming associations, the producers were complaining of supply problems in obtaining all the feed that they needed for their cattle and poultry. We had been informed at the time that grain inventory transfers at Fort William-Port Arthur, now Thunder Bay, were often insufficient to meet the needs for winter through the seaway before the shipping season came to an end.

Grain suppliers tried to ship all the grain needed for the winter months before shipping closed. Because of insufficient stocks, eastern Canada suppliers had to obtain significant quantities by railway at a surcharge of \$13.20 per tonne. This resulted in undue price increases. There were often problems in storing enough grain at the port of Montreal before the shipping season ended because of competition for space between grain for export and grain for the domestic market.

For all these reasons, the Canadian Federation of Agriculture recommended that the government create a special board. This board now has approximately the powers recommended at the time by the Canadian Federation of Agriculture, and also by the Standing Committee of the House on Agriculture and Colonization which had examined the issues concerning feed grain prices since March 22, 1965. There were therefore two major problems at the time, a supply problem and a price problem. We cannot say that all problems have been solved, but there is at least an agency which can respond in a case of emergency, find solutions and help livestock producers.

I talked earlier about the territory covered by the board since the promulgation of the Livestock Feed Assistance Act on November 16, 1966. I would like to point out that this territory includes the provinces which report deficits in the production of feed grains. For instance, Ontario still has a deficit even though it has greatly increased its production of feed grains. Naturally, it must be pointed out that part of the Ontario production is used for human consumption and alcohol production. The objectives of the Livestock Feed Assistance Act are very clear. Indeed, Mr. Chairman, the board must ensure, first, the availability of feed to meet the needs of livestock producers. Second, the availability in eastern Canada of sufficient feed storage space to meet the needs of livestock producers. Third, reasonable stability of feed prices in eastern Canada, British Columbia, the Yukon and the Northwest Territories. And finally, a fair equalization of feed prices in eastern Canada, British Columbia, the Yukon and the Northwest Territories. These objectives are of major importance for eastern Canada and British Columbia, and indirectly, for the country as a whole.

Canada is a very large country with a population greatly concentrated in the southern part. Moreover, we have to face an extremely rigorous climate during winter, and the most

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economic route, the St. Lawrence Seaway, is paralysed for four months of the year, which makes the distribution of grains even more difficult. In addition, Canada has one of the most sophisticated food diets in the world, based largely on protein products. Such a diet means that we have to produce large quantities of the products required by consumers, and as we all know, for many animal products, feed grains represent over 60 per cent of production costs. If we examine more closely the objectives of the Livestock Feed Assistance Act, we realize that the government has acted promptly whenever the normal flow in the transport and handling of feed grains has been interrupted.

I especially recall the enormous difficulties that farmers had in the spring of 1975. The possibilities of interruption are always present because of the size of our country, the complexity of the industry, and the many factors which can interfere with this industry. The act provides the board with certain well-defined powers. For instance, the board can make payments for feed storage costs in eastern Canada and payment for the cost of transport of feed grains to livestock producers or for their benefit in accordance with the regulations.

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In addition, the board can negotiate with those who store feed grains to reduce and stabilize storage and handling costs and provide sufficient space for feed storage in eastern Canada. The board can also distribute the storage space allotted for its use among those who need it in eastern Canada. It can direct negotiations to obtain import permits. It can also purchase, sell and store grains with the authorization of the governor in council.

The board also has very specific duties, Mr. Chairman, namely, to provide an ongoing review of the feed needs of eastern Canada, British Columbia and the Northwest Territories, of feed availability and the need for additional storage space for this feed in these areas. It must also make recommendations to the minister concerning the need for additional feed storage space in eastern Canada. As a rule, the board also advises the government on all matters relating to stabilization and fair equalization of feed prices for livestock feeders; as well, inasmuch as it meets these purposes, it consults and co-operate with all departments, ministries, branches or any other government agencies of the federal government or of a province whose attributions, purposes and objectives are similar to those of the board.

The governor in council may occasionally authorize the Board to inquire and do some research on all matters directly relating to transportation, storage and handling of feed grain in eastern Canada and British Columbia, to feed supplies and prices in these regions, to payments made for feed storing and moving expenses under the Livestock Feed Assistance Act. The minister and the board benefit from advice given to them