

some kind of buoyancy for the cattle market in the west. We hear of the possibility of an embargo being placed on United States cattle. But we do not see action.

A few short months ago many people were asking why meat is so high priced in Canada. We were told it was because the United States economy has really been devaluated something like 30 per cent or 40 per cent in the past year and our economy has been devaluated about the same in relationship to the Japanese yen, the German mark and so on and that now our beef could move into those markets. Why does the government not make an attempt to move some of the surplus beef into those markets? We are told that steak is very expensive in Europe, that it is even higher in Great Britain and that it is higher still in Japan. Why does the government not make an attempt, even if it means the subsidization of shipments? It could even pay the freight and move the beef out so that our markets could be sustained.

Why is this so important to our markets? Today feeder cattle are moving into the United States at an alarming rate. If they move there they are fed United States grain rather than Canadian grain causing less employment in Canada. Apart from that, there are fewer placements of Canadian cattle in cattle feed lots and this will bring about a sharp increase in the price of meat next year if we are not careful. If we do not encourage our feed lots to fill up this fall we are bound to have a high price for beef next year and a scant supply. A one per cent reduction in the supply of beef causes a two per cent rise in the price of beef. This is just about how it has worked in the past year and the way it will work in the future if the government does not immediately take some action to remove the chaotic situation in the grain pricing business and the cattle industry.

There are some definite steps the government could take which would immediately alleviate part of the hardship in the agricultural industry today. The feed grains policy of the minister is increasing the price of grain to western feeders by about nine cents a bushel because he arbitrarily tacks on a Wheat Board marketing cost even though much of the grain does not move through the Canadian Wheat Board. He attempts to subsidize to some extent eastern Canada. Who pays for the subsidy? The western grain producer. That subsidy should be paid out of the treasury. If it is a political decision to bring about a price for barley in eastern Canada which is less than the United States corn price, certainly the treasury should accept the cost of that political decision and not the Canadian grain farmer.

The Canada Grains Council seems to be concerned about the farmer and how he fails to listen to advice from the government and its experts. The farmer is in a strange position. He is the only man producing a commodity who does not know what the price of it is on the world market. The Wheat Board is supposed to be working for the farmer; yet it sells his product and does not tell him what he is getting for it. If the farmer could find out exactly what the world price was he would know what his commodity was worth and how much more or less of it he should grow. The old argument is that the Wheat Board cannot reveal these prices because then our competitors would know. If one has a friend who has a friend he can phone a Japanese importing company and find out what

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Canadian barley is worth. Is it worth \$3.25 today at the Lakehead? I would think it is according to my sources. But as a producer I should be told by my selling agency what my product is worth on the market. A man manufacturing automobiles or anything else knows what his commodity is worth on the world market. The farmer is supposed to remain in the dark and take the advice of the minister in charge of the Wheat Board. Traditionally he has learned over the years to do the opposite and by doing so he probably comes out better.

Two steps could be taken. The treasury should pay the subsidy rather than the grain farmer and the grain farmer should be told what his grain is worth on the world market. The minister has attempted to do this in his announcement that half of the final payment on barley will amount to 58 cents a bushel, but even that estimate will fluctuate from month to month. It may go down, particularly after the announcement regarding the size of the Russian crop. The minister should buy and build more boxcars and he should appoint a rail co-ordinator who would have the power and authority to direct boxcars for the movement of grain to the markets. It is a colossal shame when we read in the *Financial Post* that we may not be able to meet our market commitments because grain is not at the ports and we are running short of at least 2,000 boxcars a week. We need boxcars. If another election takes place soon, the minister may want to create good feeling throughout the country. If so, he should be issuing those orders right now, and a railway co-ordinator should be appointed to direct those boxcars for the use of the grain industry.

● (1520)

With regard to the beef industry, most people who are connected with the beef industry just hope that the government will get out and stay out. They know how to cope with the weather and with the markets, but politicians befuddle most of the men in the beef industry and make them wonder.

The government could do a number of things to deal with the chaos that exists in the beef industry. It could bring in an embargo on imports for a limited period of time. Thirty per cent of the kill is a huge kill and depresses the market badly. As I said before, it could make some effort to ship large amounts of beef to Japan or Europe. It could increase the tariff. The Minister of Justice (Mr. Lang) spoke about some kind of freight reduction on western beef moving to central Canada. He has not come out with it yet. We are listening. People in the industry are wondering when it is coming.

There are four steps which could be taken with regard to the livestock industry which could bring back immediately some degree of confidence to the industry and at the same time would enhance the image of the minister. We are getting tired of seeing this lovable farm boy prance about the country.

Mr. Whicher: Farmers are not.

Some hon. Members: Hear, hear!

Mr. Horner (Crowfoot): Yes, the farmers are tired of it. Farmers are saying: let us have action. They like lovable