

Hon. Jacques Flynn (Leader of the Opposition): Will it do so in the normal way?

Hon. G. I. Smith: Honourable senators, as chairman of the committee I am of the impression that the committee decides what witnesses it will call and that the government does not make that decision.

Senator Frith: No, the committee makes its own decision in that respect.

Senator Smith: If that is what the honourable senator said, that is fine. I just want to make sure that is on the record. As I understood you, I thought you said the government makes the decision.

Senator Frith: I thank the Honourable Senator Smith for giving me the opportunity to clear up any misunderstanding. The question was asked as to whether the government intends to give the committee full scope in the calling of witnesses and in its inquiry. My answer was that the government has no intention of trying to restrict the committee in making those decisions. If there was any misunderstanding, that is what I meant to say.

Senator Flynn: The question that remains is whether the government, if it does not instruct the committee, will instruct committee members.

Senator Frith: That would be abnormal.

Senator Flynn: There may be a change following the decision made today by some 12 members on the other side.

Senator McElman: You counted wrong.

FOREIGN AFFAIRS

CANADIAN INVOLVEMENT IN PROPOSED CARIBBEAN ECONOMIC AID PROGRAM

Hon. Heath Macquarrie: Honourable senators, I should like to address a question to the Leader of the Government in reference to the meeting which took place between the President of Mexico and the President of the United States two days ago. Out of that meeting there emerged the suggestion that in reference to the extensive plan for the economic aid program for the Caribbean there would be some Canadian involvement, or that, indeed, that would be a desirable goal. Has the Government of Canada heard anything about that suggestion? If so, what is its response to it?

Hon. Raymond J. Perrault (Leader of the Government): Honourable senators, I have received no advice from my cabinet colleague, the Secretary of State for External Affairs, with respect to that matter. As soon as a message is received here it will certainly be reported to the Senate.

GRAIN

CANADIAN WHEAT BOARD—ANTICIPATED ANNOUNCEMENT OF INITIAL PRICES

Hon. Duff Roblin (Deputy Leader of the Opposition): Honourable senators, I should like to address a question to the

Minister of State for the Canadian Wheat Board on a matter domestic to western Canada and inquire whether he expects to make an announcement respecting the initial prices that will be offered for wheat and other grains.

Hon. Hazen Argue (Minister of State for the Canadian Wheat Board): Honourable senators, I am not certain that I can put a date on it at this time. The necessary action by the Governor in Council has not been taken, but the honourable senator can rest assured that it will be done in advance of the new crop year.

Senator Roblin: May I ask the Honourable Minister of State for the Canadian Wheat Board if he is proposing a change from what has usually been the case with respect to the announcement of prices? If my memory is correct, the announcement of the initial price for wheat is made at the time of seeding, or thereabouts, because some farmers use that as a market indication or a planning indication. Has there been a change of policy in this respect?

Senator Argue: Well, the change this year will speak for itself. Last year, in April, I announced the initial prices that were to prevail on August 1 of that year. Because the market conditions were not entirely clear at that time, so far in advance of the market, I had to announce a low in initial price. I was able to make a further recommendation before the beginning of the crop year that resulted in an increase in the initial price over the first announcement.

This year I decided that, if the announcement were to be made early, it would at that time—and I made that clear—have necessitated quite a large drop in the price as related to the adjusted price, and I felt that those signals which would go from that announcement might be wrongly interpreted, because I felt then, as I feel now, that the outlook for the grain market was very buoyant and that it was wise for me to recommend, as I did, an increase in spring wheat acreage and an increase in barley acreage. Those increases, or increases along those lines, have certainly taken place.

I see no reason at this time to withdraw or to amend anything I said earlier. All I can say to the honourable senator at this time is that the effective initial prices will be announced in advance of the crop year.

● (1430)

Senator Roblin: Honourable senators, if I may make a final point with my honourable friend, I would ask him if he would reconsider his decision, because it is perfectly true that he has recommended that farmers increase their wheat acreage by 10 per cent and their barley acreage by 6 per cent. Of course, the question of price is highly significant. Many of the farmers who communicate with friends of mine have indicated that it is helpful if they have some idea of what the initial price will be because it is useful as a management tool.

For years we have followed the other process whereby the farmers are given in advance a reasonable statement on what the prospects look like. Because some very large sales have already been consummated this year, we have some idea of where we stand. I would ask my honourable friend to reconsid-