

Canada Grain Act

and that is a tremendous loss. So we really are trying to regain this lost ground. The U.S.S.R., Australia and the United States have been guaranteeing their cargoes for many years, and the United States has had protein grading since 1958. That is not to say that we should have adopted protein grading in 1958. From 1958 to the present we have enjoyed large sales. Back in 1962 we sold no wheat to Russia, and the next year we sold them 234 million bushels. Two years later the sale was repeated to the extent of 202 million bushels. These sales were effected at a time when we did not have protein grading.

The point I want to make is that great emphasis has been placed on the protein factor and a lot of people have tended to use the lack of this system as an excuse for our loss of sales. Let me immediately bring the House back to reality by pointing out to the minister and anyone else who cares to listen that we will not immediately find ourselves flooded with requests for our wheat: world wheat markets will not suddenly beat a path to our door to buy our wheat.

We must remember that other factors are involved and play a part in world markets. Having once lost a market, it is very difficult to regain it. There is in Regina a group which has just been organized. This group is a lobby of southern growers which calls itself the Palliser Triangle Wheat Growers' Association. The article to which I refer indicates that about 65,000 farmers will stand to benefit. That is only about one-third of the farmers, because there are approximately 190,000 altogether. These figures may not be completely accurate, but if you relate the percentage to the higher protein level they may be close to being accurate. These people feel they have a tremendous amount to gain by this switch in grading, perhaps to the extent of 30 cents or 40 cents a bushel. That seems to be the impression.

There is no mention of the protein factor in most of the quotations I have seen. There is mention of price. But I understand that only during final negotiations does the protein factor enter into it. While it is important to some customers, it is determined only after there has been negotiated what is considered to be a reasonable price. I point out that we will not immediately be flooded with requests for our wheat and that this change will not perform the miracles we so badly need.

Some of the other figures I have been able to obtain would indicate that two-thirds of the farmers are located in what is considered

to be the Palliser triangle and that this excludes the northern and outer perimeters of that area. All our research up to the present has been directed toward this high protein grain area. This may have been desirable when we were selling under the old system, but the government must have been aware of this intended legislation. The government was aware of this grading several years ago, because it was mentioned then.

The government should have made a great research effort several years ago in respect of what is considered to be feed wheat. Research in this respect has been sadly lacking. This one piece of legislation has come forward and there has been a total absence of research in respect of other factors which may make this system work. The federal task force on agriculture had this to say:

The highest protein-content wheat is produced in the Palliser triangle...thus, if land is to be withdrawn from high quality wheat and used for feed grains, oil seed, and high yielding grains, it may be desirable that this occur in areas other than the Palliser triangle.

This brings us back to the fact that there will be an area wherein this legislation will not have a direct effect. We are told the world wants high protein wheat, yet the LIFT program indicates that we should not grow that kind of wheat. Rather than pouring \$100 million into that area we should allow the farmers there to continue growing high protein wheat, because of the government's opinion that this is the kind we can sell. We should use the \$100 million for a crash program to work out solutions to problems facing the other one-third of the people affected. We have had little research in this field.

The Economic Council of Canada has pointed out that in terms of yield technology Canada has most substantially lagged behind the United States. Canada has achieved a rate of growth of labour productivity and agriculture well above that recorded in other sectors of the economy, and I will roughly compare comparable dimensions to the rate of growth of agricultural labour productivity in the United States. In contrast, Canada has advanced in the area of mechanization but not kept pace in yield technology. This is part of our problem. I am concerned about the other one-third of the farmers. Part of the study conducted by the council suggests for emphasis:

In 1965, for example, the yield of corn in the United States was 68 bushels per acre; this compares to a yield of 22 bushels per acre of wheat in Canada. On the basis of post-war trends, per corn

[Mr. Korchinski.]