

Feed Grains

quately, that there might be some form of equity between the west and the east.

That policy has had disastrous results, Mr. Speaker. It jeopardized the ultimate factor of growth of agriculture in eastern provinces and in particular in the province of Quebec, where we depend upon the purchase of western grains for more than 60 per cent.

● (2240)

Therefore, it is extremely important to review the powers of the Canadian Wheat Board, and this is so true that when I was member of the Standing Committee on Agriculture, we dealt with the problem of grains because there had been a surplus in 1969-70; as a matter of fact, the committee members went to the western provinces, and eastern members maintained good relationship with their colleagues from the Prairie. We visited western farms, we understood the problem and tried to bring about a solution. One of these was to try to be a little more competitive on the export market. We were asked as well to set up a two price policy for wheat. I would have thought that tonight someone would be tactful enough to state that the liberal government had established this policy for western grain. I also thought that they were going to speak about the 2,000 hoppers cars that were bought to facilitate grain movement. Those are changes that we introduced.

But when it comes to improving the feed grain policy for eastern producers, our colleagues from the west stand up with panic, ask themselves questions, and are worried about the decision to come. We were not worried, but pleased to hear that the Liberal government had set up the two price system for western grains. We were pleased and proud to be Canadians and to contribute to this assistance to western producers.

Mr. Speaker, a moment ago, I heard the previous speaker praise up the Progressive Conservative party. On our way back from a trip of the Standing Committee on Agriculture in the western provinces, we had stopped in Toronto, on January 25, 1971, and I asked the Ontario minister of Agriculture, Mr. Stewart, a question regarding a policy known as the balkanization policy between provinces: it was that of chicken and eggs. I was just mentioning this balkanization policy of broilers between Quebec and Ontario, and I was explaining our disappointment regarding that balkanization policy. The Ontario Minister of Agriculture, Mr. Stewart, replied to me, as stated in Issue No. 14 of the Minutes of Proceedings and Evidence of the Standing Committee on Agriculture of January 25, and I quote:

—the balkanization of Canada started in 1935 with the implementation of the Wheat Act—

That was the Ontario Minister of Agriculture's reply. He was just telling me that the first balkanization policy had started with the Conservative party in 1935, by the implementation of such a policy. In 1973, Mr. Speaker, we are trying to streamline a little this policy as we have been able to find out tonight.

Mr. Speaker, all hon. members from the east have drawn the attention of the ministers concerning this situation which cannot last anymore. And the proof, Mr. Speaker, is that I have before me a report released by the Canadian Livestock Feed Board concerning the comparison between

[Mr. Roy (Laval).]

the feed costs for hogs in the eastern and western provinces, and I quote:

Referring to the table, it can be seen that the advantage of feed cost for the Prairie hog breeders (compared with those of the province of Quebec) has gone from \$2.94 per hog in December 1967 to more than \$8 per hog for several months during 1970 and 1971.

Mr. Speaker, in a booklet of the Canadian Wheat Board you can read the following:

We could refer this difference in food prices to the cost of transportation of \$4 per carcass of hog between the Prairies and Montreal.

Thus, there is an untenable situation according to which the eastern producers, especially in Quebec, must buy feed in the west. The province of Quebec is a customer buying 60 million bushels of grain and we do not want to take this advantage away from western producers, but we want to establish equity between western and eastern producers; I referred, a while ago, to the brief of the Canadian Wheat Board where it is indicated there was a difference of up to \$8 per hog in 1971 and this does not concern equity between east and west. We want the same price as western producers, but what worries us more on top of the price gap, Mr. Speaker, is this: an article has been published in the January 24 issue of *Agriweek* stating that an organization wants to go and establish itself in Alberta. It is the North American Food Processors Ltd. which wants to produce 640,000 hogs a year because in Alberta it is possible to buy feed grain at better prices than in the east.

Mr. Speaker, in view of all these facts, the producers are worried and, once again, we are not asking for preference, but for equal benefits. We estimate that the eastern market for finished products is better than in the west. We are ready to suffer a differential between east and west in this field, but we will not accept the continued implementation of such a policy.

This is so true that if a market exists in the eastern provinces and if we do not want to meet this market those provinces will have no choice but to buy grain at competitive prices. This situation does not prevail now because there is a world shortage of grains and I hope that the solution we will reach will not reflect the current situation but what we have seen during the past years.

This problem is most complex. We must maintain our western market, our eastern consumption market and save our exports market. This problem is most complex but I would tell the minister that Quebec, as the Maritimes, but in a more special way, will not be able to accept a compromise. If we happen to choose a sale price for grains, and if we subsidize the transportation of a finished product, this will be a compromise which shall not be accepted. We want a fair arrangement for east and west but we shall not accept half solutions.

I would have appreciated hearing the member for Crowfoot making suggestions in connection with improving the feed grain situation. I would have liked to hear the member for Crowfoot tell us which role will be played by the provincial marketing agencies in the field of grains. What would be the role and the objectives of such organizations, in Alberta, for instance, with regard to grain marketing? I wish the hon. member had spoken about this, but he made no suggestions; he limited himself merely to criticizing.