

law in order to take care of unusual and emergency circumstances. On that last point I hope the minister will have something specific to offer.

It is a fact that in the 1930's when western Canada, was going through the worst drought and grasshopper damage known, shipments of vegetables and other foodstuffs were made directly from the rural people in eastern Canada to the rural people in western Canada. This was greatly appreciated at the time, and I know that some people in western Canada have after all these years tried to reciprocate and have shown their concern and their willingness to help out. However, they have been prevented from doing so by red tape and the requirements of the law. They have asked why it is not possible for the government to waive these legal requirements to help farmers in eastern Canada to get out of the blind they are in so far as feed grain is concerned.

Mr. B. S. Beer (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, we are grateful to the hon. member for bringing forward this question at this time because it does provide the government with an opportunity to enunciate some of the programs which have been put into effect to alleviate the feed situation in eastern Canada.

The matter of feed grain prices is one which is regularly raised. As indicated by the minister and as stated in the Speech from the Throne, legislation is to be brought before the house for the purpose of establishing a feed grain agency which will be charged with the responsibility of acting in this area of federal interest.

Answers have been given to questions on feed grain prices. They are to be found on page 2278 of *Hansard* of March 7, 1966. These are the only official statistics available on the retail prices of feeds. They are reported by the Dominion Bureau of Statistics and illustrate the provincial average prices in Ontario and Quebec before the drought assistance program became operational, and the prices at January 1, 1966.

The question is asked, "Has the crop loss assistance program led to the increase in

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prices?" We know that there were crop losses in eastern Ontario, for example. The two governments are providing assistance in feed purchases. The rate of assistance is \$30 per ton for grain and the expenditure could reach \$12 million in Ontario. This would mean the purchase of 400,000 tons of grain in that area. Since there is this program there is a greater demand for feed, and to this extent there could be an upward pressure on prices.

However, if there had been no program it is likely that many cattle would have been sold and there would have been less demand for feed and less pressure on feed prices. One can readily judge which is preferable from the standpoint of maintaining herds and farmers' means of income.

• (10:10 p.m.)

The provinces administer this program and request the co-operation of feed dealers in the redeeming of coupons. They register those dealers who wish to co-operate and thus have control over them. Indeed, quite apart from this factor price control is in the hands of the provinces except in situations such as war-time.

The question has been asked: what is being done to meet the problem of feed grain prices? First, \$21 million has been provided to pay freight and storage assistance. Second, \$16 million is being provided to match \$16 million from the provinces as assistance in the purchase of feed by eastern farmers. Third, action has been taken by officials in the feed grain administration in the Forestry Department which has resulted in reduced rail rates to large areas of the Maritimes and negotiations are continuing on other areas. Fourth, in addition we know that the supply of grain is quite good in the east and is about 11 per cent greater than a year ago, and last spring there were significant quantities left in the east after the opening of navigation.

[Translation]

Motion agreed to and the house adjourned at 10.16 p.m.