

Agriculture

Recently representatives of world grain growers and consumers of grain met in Winnipeg at the urging of the Canada Grains Council in an attempt, as Mr. Dever suggested, to bring about a greater degree of confidence in the industry on the part of producers. I quote briefly from an article which appeared in the *Financial Post* of October 20:

The industry is distrustful, especially producers. We could have used more barley and rapeseed this year . . .

But growers are reluctant to accept advice. We now have to foster more confidence that the advice is the best available at the time it is given . . .

What has destroyed that confidence is the system of abrupt and arbitrary pricing in the grain and livestock industries, which will eventually bring about higher food prices next year. Certainly we now have high world prices for our grain, with wheat at \$5 a bushel. There was an adjustment last fall when a ceiling was put on the price that Canadian millers have to pay, with a resulting subsidy, some suggest about 70 per cent, to the Canadian consumer.

What effect will these subsidies eventually have on the Canadian market? I suggest they will bring about a lowering in the production of grain and livestock. We have seen grain priced on the world market at over \$5 a bushel; yet at the same time we have experienced a tremendous shortage in our terminals. The terminals at Vancouver and the Lakehead are nearly empty and the St. Lawrence Seaway is just about to freeze up for the winter. I suggest that we will lose certain sales because of our inability to move grain.

Not long ago during an election campaign the government accepted some advice from members on this side and purchased 2,000 additional boxcars. I suggest the government should buy more boxcars now.

An article that appeared in the *Financial Post* of October 27 points out quite vividly that right now there is a shortfall of some 2,000 boxcars a week for the movement of grain to either Vancouver or the Lakehead. The article goes on to state:

A Wheat Board official concedes: "We're going to be squeezed like a banana to fill our exports."

In other words, our sales commitments are there but we are not able to meet them because we have not paid enough attention to the movement of grain. No one wants to store wheat that is worth \$5 a bushel. They want to sell and take advantage of the high price on the market while they can. There is no reason to believe that in the years ahead the price will continue as high as it is.

Recently Russia announced a 215 million ton crop, 16 per cent above what they expected and above the crop a year ago. The United States has had a bumper harvest this year in feed grain and other grains. So we must make every effort to meet the market conditions today in respect of the sale of wheat. The government has failed to pay sufficient attention to these facts. Both ministers in charge of agriculture have been too busy prancing about the country trying to claim credit for the high world prices instead of marketing Canadian grain in an efficient manner. We are told that marketing is very complicated in Canada today. The livestock industry for a number of years has been proud to be able to say: let the government

[Mr. Horner (Crowfoot).]

leave us alone and our industry will take care of itself. The government has not left it alone this year.

● (1510)

Last March we saw a one-sided reduction of the tariff on cattle moving into Canada from the United States in an attempt to appease consumers on a short-term basis, but that did not seem to increase the popularity of the Liberal Party across the country with the consumers. So the government then announced an embargo on the movement of cattle out of Canada. Canada traditionally has been noted as a large exporter of beef, but our price has always hinged on the availability of beef for export. The government placed an embargo on export, which caused chaos. It caused the shutdown of the marketing system throughout Canada and a drop in prices of approximately ten cents a pound. Perhaps it could be argued that the price would have come down in any event. It might have, but it would have come down gradually and farmers would not have lost huge amounts of money because of the inexperienced minister in charge of the consumers, I suppose. It was the consumer affairs department or the Minister of Trade and Commerce that announced this action.

Some time in September the government became a little concerned about the livestock industry and reimposed the tariff of one and a half per cent to equalize the movement of cattle between Canada and the United States. Today we see huge numbers of cattle coming to Canada from the United States. Thirty per cent of our kill is United States beef. We kill a little over 50,000 head a week and that means that about 17,000 head at least of United States cattle are coming on to our market.

The Minister of Agriculture (Mr. Whelan) said in the House the other day that he had placed three different proposals before the cabinet but that he has had really little effect on the cabinet. Many good newspaper articles written about the present Minister of Agriculture say that he sounds like a farmer, talks like a farmer and must be a good Minister of Agriculture. One must do more than sound, look and talk like a farmer. One has to be able to get results and be able to sell the farmer's case to his cabinet colleagues.

There was a recent headline in *The Grower*, an Ontario paper—"Farm Policy a Tragic Farce". It points out that we have had three ministers tinkering with agricultural policy, the Minister of Industry, Trade and Commerce (Mr. Gillespie), the Minister of Agriculture, and the minister in charge of the Canadian Wheat Board (Mr. Lang). There is also the Minister of Finance (Mr. Turner). Four ministers have been tinkering with the agricultural economy. The article in the October issue of *The Grower* goes on to say:

In Ontario, Agriculture Minister Stewart and nationally, CDA Minister Whelan, have continually and vociferously put forward strong cases for farmers. Unfortunately, there is scant evidence that even their cabinet colleagues are listening.

Some hon. Members: Hear, hear!

Mr. Horner (Crowfoot): We are told about a reduction in freight rates on beef coming from western Canada to Ontario. We anxiously await that and hope it will provide