Wheat Price Increase

• (2010)

We must also decide whether cattle ranchers, rapeseed growers, barley growers and all other agricultural producers on the Prairies should share in the buoyant wheat prices of today

Without saying any more about this statement, it should be clear to Canadian consumers that bread prices will rise and that the government's liability will be limited; in fact, it will be reduced, according to this statement.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I wish to thank the minister for the courtesy of providing us with this reasonably short statement some time ago. Like the hon. member for Crowfoot (Mr. Horner), I am more confused by the statement than enlightened.

The indication is that the price of bread will go up. When we originally set up the two-price system, we did so for the purpose of maintaining a reasonable price for the western farmer. He was assured a minimum of \$3. The price is now substantially higher than \$3. By reducing the amount of subsidy which we pay by $4\frac{1}{2}$ cents per bushel, we are in effect saying this will have to be picked up by the milling trade.

With the price of bread increasing by 1 cent, this will produce about $55\frac{1}{2}$ cents plus the $4\frac{1}{2}$ cents the taxpayer is now paying through a subsidy. There will be a tendency on the part of the milling trade to increase the price of bread in the very near future by more than 1 cent in order to bring it up to the world price and the farmer can continue to get his price.

This is not the time to reduce the subsidy on milling wheat. Rather, it is an excellent time to increase the subsidy, so that the potential price increase for bread will be limited. We must find a way to control basic commodities in Canada as well as their price. An excellent way of maintaining a reasonable price for bread would be to increase the subsidy we have been paying in line with rising world prices.

Most farmers and the trade anticipate a price increase because of world conditions. There will be a scarcity of food. If we are going to maintain the price of this basic commodity, bread, the government should increase the subsidy.

I regret this subsidy is being reduced by $4\frac{1}{2}$ cents. When this is added to the milling price, it will obviously result in an increase. Any increase charged to the milling trade is always charged back to the consumer. If the price of wheat increases, the increase to the consumer is always considerably more. This will result not in a 1 cent increase in the price of bread but several cents.

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, with regard to this increase in the price of bread, the minister responsible for the wheat board always makes the suggestion that more subsidies should be given to the millers of wheat. The minister never thinks of giving subsidies to the consumers of this country. This would help to increase the consumption of our flour and wheat in Canada as far as our domestic market is concerned. At the same time it would protect the wheat trade in the world market.

[Mr. Horner (Crowfoot).]

Every member of this House is willing to help Canadian farmers and the wheat market sell their product both inside and outside of Canada. Canadian consumers are at the very end of all the production in our country, including wheat, flour and bread.

I am surprised that at no time does the minister suggest helping the consumers to buy that wheat or bread at a cheaper price than they pay today by subsidizing the end where the production goes, the consumers of this country. This is why the Social Credit party has been advocating a compensated discount for many years. This would cut the price of bread by 20 or 25 per cent, after the government has agreed with the retailers of this country not to increase prices. With a compensated discount to the retailer, consumers would pay 25 or 30 per cent less than what they pay today. In this way we would have better distribution of our bread and wheat.

The minister is trying to find a solution. He never finds a solution. This is why we suggest the minister, the wheat board and the government accept the Social Credit suggestion of a compensated discount to the retailer, so that the consumers of our country will be satisfied and the producers will be assured of selling their production, first to the domestic market and second to the world market. In this way they would be competitive with every other country in the world.

The Acting Speaker (Mr. Laniel): Order, please. The House will now return to the consideration of the third reading motion on Bill C-208.

GOVERNMENT ORDERS

[English]

ELECTORAL BOUNDARIES READJUSTMENT ACT

AMENDMENT TO SUSPEND OPERATION OF ACT

The House resumed consideration of the motion of Mr. MacEachen that Bill C-208, to suspend the operation of the Electoral Boundaries Readjustment Act, be read the third time and do pass.

The Acting Speaker (Mr. Laniel): When the House rose at six o'clock, the hon. member for Peel South (Mr. Blenkarn) had the floor.

Mr. Don Blenkarn (Peel South): Mr. Speaker, before the House rose at six o'clock I said I was only going to speak for a very few moments because I had spoken on the second reading debate and on the motion to amend this bill. I was very disappointed the House did not accept the amendment because it would have solved some real problems.

• (2020)

Mr. Knowles (Winnipeg North Centre): Order!

The Acting Speaker (Mr. Laniel): I would remind the hon, member that it is not proper for him to comment on a