

**Hon. Mr. Connolly (Ottawa West):** I think these exports are the exports overseas. It will be seen that the total marketings of oats in that year amounted to 49.7 million bushels. I have said that these figures do not add up mathematically because they are estimates, but there were 49.7 million bushels marketed outside of western Canada in 1963-64, after deducting the feed needed there. The figure of 17.5 million bushels probably relates to overseas exports. However, this will have to be verified in committee. The figure of 35.2 million bushels relates to the freight-assisted exports from western Canada to eastern Canada. I should add that the cost of shipping feed grains out of Canada from western Canada is done at a very special rate, as the hon. senator undoubtedly knows.

Now, I am not completely away from the tables but very nearly so. At this stage I should say something about the effect of the subsidy both for transportation and for storage of western feeds on the position in central and eastern Canada.

Generally speaking, I think it fair to say that the subsidy program has been depressing on prices for these feeds. One of the reasons is the fact that even if in central Canada they grow surplus to their requirements, there is no subsidy from central Canada to the Maritimes for feed grains. So the effect seems to have been, and the Ontario farmers have indicated this a number of times, that both the transportation and storage subsidy has inhibited the development of the feed grain industry in central Canada, although perhaps not in the Maritimes.

The Maritime problem in feed production is indicated in Table 33 on page 11. There honourable senators will see that the production of feed grain in the Maritimes is small. Some of the representatives in the other place from the Maritimes speaking to that point gave the reasons for this: farm units are smaller, there is less mechanization on the smaller units than on the bigger farms in western Canada, and the capital requirements to mechanize and enlarge the units are not as readily available as they should be. Here it seems to me that the terms in the bill dealing with farm machinery last session, which originated in the fertile mind of the senator from Calgary Senator Hays, might very well contain a solution to the problem in the Maritimes with respect to the growing of feed grain. If I remember, the honourable senator in explaining the bill in cabinet and elsewhere felt it might be helpful to the man on the smaller unit or family farm.

There are, of course, in Canada great developments in the areas of crop rotation and fertilization. Climate also has much to do with this, as it affects the length of the growing season. The problem is storage and the kind of storage that must be provided; and I am told that the drying of grain is an important aspect of the marketing process.

I suppose the ideal situation would be that each section, whether it be the Atlantic area or central Canada or the prairies or British Columbia, should be self-sufficient in feeds, capable of supplying the local needs of the breeders in the area, and exporting the surplus, and that the breeders in turn would be able to sell locally and export their surplus. Whether that can ever come about will, I suppose, depend on the development of the country and to some extent on foreign markets.

I think I should refer now to future prospects. In this regard there is on page 14 of the material supplied a table which should purport to be something of a crystal ball. This indicates that by 1980—and I am only going to refer to two figures from this table—an additional 31,000 million pounds of feeds will be required in this country, and about an additional 5,780,000 acres of land will have to be devoted to the production of feed grains. So, the opportunity for markets for feed grains on the basis of this estimate is very great indeed.

I should say that on March 22, 1965 the Agriculture Committee of the House of Commons made a report in which it described the existing domestic situation in respect of feed grains in Canada and called for a remedy. I arranged this afternoon for honourable senators who were interested to receive a copy of this report on entering the chamber. I think it is a very interesting report and bears reading.

I want to say something in passing about the situation that goes beyond our Canadian borders. Senator Grosart earlier this afternoon exhorted us to consider situations other than the Canadian situation, and in this regard I quote from the *Winnipeg Free Press* of October 21 under the heading "Food Shortages":

Canada had a bumper crop. Russia had a bumper crop. The world food situation is worse this year than it was last year.

Food production dropped back in this past year to its pre-World-War II level in the poorer regions of the world. In