

Wheat Sales

amount realized in commission. That is a thing the hon. member should remember.

I will ask the hon. member another question about when his hindsight would have begun to operate in a different way. What about the sale to China on April 9, 1973? We sold 55 million bushels of wheat to China. The Wheat Board card price at that time was \$2.48-7/8 for 13½ per cent protein ICW, a price which at that time was making farmers all over the country rejoice, a price which none the less has been exceeded today by \$1 a bushel. Would the hon. member have had the Wheat Board say to the Chinese, "We will not sell at that price," even though at that time U.S. listed prices were running 20 cents to 30 cents lower than that price? The reason the Chinese would even talk to us about our grain was that with the Wheat Board system, and the block system, and the co-ordinators at the terminals, all of which make our system efficient, and much of which has been improved in the last two or three years, they could be assured that we could deliver on a stated contract. There was no equivalent assurance at that stage from the United States. What does the hon. member say our negotiators should have done?

Let me tell him a little bit about buying and selling. The seller usually wants the best possible price, and the buyer usually thinks the price is too high. It should not be a surprise to the hon. member that that might happen even when the Canadian Wheat Board and the Chinese negotiators, with all the goodwill that has come to exist between them, are sitting down to determine what they believe to be the right price. The task they have is to determine a fair price that is satisfactory to both.

Through you, Mr. Speaker, let me say to the hon. member, because he needs the instruction, that at that time the Wheat Board was quite prepared to offer to the buyer, the Chinese, more grain than the contract eventually called for, and it was because the buyer felt the price was too high that the exact price for the exact amount was negotiated. That was the nature of the judgment that could be made at that point in time about the prices.

But the hon. member for Crowfoot knows what prices are going to do. He says we are at the top, that the market is going to come down.

Mr. Horner (Crowfoot): I did not say it was at the top. I said it would be levelling off.

Mr. Lang: I presume the hon. member should be mortgaging his farm, his ranch, and putting everything he has in futures, because he is so sure of his position. Let me say to him that I am not that sure. I am not sure that today's prices are the top prices. To try to determine when prices are the top prices is indeed the very judgment for which the farmers wanted and have a Canadian Wheat Board. They want it to make that judgment.

There is one more judgment that the Wheat Board has to make, and that is in relation to our over-all customer situation. The hon. member for Crowfoot reported that the Board had said it was passing up some sales opportunities. What he fails to understand, and what the Wheat Board has said clearly, is that it is still selling wheat today. Last week they sold on a regular tender, in a regular way to the Japanese—I should say that this was in the first week of June—almost two million bushels of wheat. The card

[Mr. Lang.]

prices then were \$3.30, and that was the price paid at that particular time. They still are selling wheat, and they will go on selling to our traditional customers in the traditional way, and in view of the selling record over the last two years we have a lot more traditional customers that we have to keep in mind.

What the Wheat Board will not do today is sell to a completely new customer until the Board is absolutely sure that it is able to meet the demands, which are very extensive, of our traditional customers, in the traditional way, and until we are quite sure we have the capability of getting the grain out of the country. With crop conditions what they are, supply is ceasing to be a problem for the Canadian Wheat Board, but transportation and handling continue to be problems. The point that is really fundamental is that it is the Wheat Board which decides whether or not to sell wheat to new customers, except in very special circumstances. If those circumstances arise, we will use orders in council and it will be quite clear what policy is being used in that connection.

● (1610)

The other aspect of the hon. member's motion is the demand for immediate payment of 30 cents per bushel on all wheat sold in the 1972-73 crop year. I receive a very large volume of mail regularly from grain farmers and very, very few of them urge that kind of payment at this time. So far as I know, not any farm organization has made such a submission to me or to the Canadian Wheat Board, either through the advisory committee or directly. That has not been done. Farmers know that their money will come to them in their final payment. Perhaps they know or suspect that the final payment this year will be made earlier than last year. The final payment will be made as soon as the Wheat Board calculates that that can appropriately be done.

Mr. Horner (Crowfoot): Is the minister saying that it will be more than 30 cents per bushel?

Mr. Lang: The date on which the pools have closed has been earlier and earlier as, more and more, we have turned over one year's grain in one year. After all, for three years we have been disposing of more grain than was being produced. The challenge is now back with the farmer. It is up to him to see how much he can grow. He is using fertilizer to the fullest extent. He has put more acres into grain production, and has gone beyond most people's expectations in this regard. He is responding to the challenge and will produce grain. This year, because of our relatively current situation in terms of grain turnover, the final payment, as the Wheat Board tells me, is likely to be made by October at the latest. Therefore, some months from now a final determination in this respect can be made.

The hon. member's suggestion about requiring the Wheat Board to do further calculations with regard to wheat pools under the Wheat Board Act would entail further administrative expense, which would be charged to the farmer. While that money that is to be paid in October or earlier is in the hands of the Canadian Wheat Board, it does, of course, produce for the farmers who will eventually receive it regular interest which is applied to