

whose judgment on fiscal matters has been proven profoundly wrong and painfully inadequate. I invite the parliamentary secretary or whoever will be responding to me to reflect carefully, coldly and thoughtfully upon these statistics which I regard, and which most thoughtful economists and businessmen regard, as yet another indicator that all is not well in this land.

More than that, I ask him and the party now in power to use what influence he and they have upon the government to re-think, to readjust and sensibly and sensitively to react to the many warnings of greater ills yet to come, and may we not wait until we have upon us a depression rather than a recession before the government shows some awareness of the fact that all is not well in this land, in economic terms.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, business failures occur for many reasons. Markets sometimes do not grow in accordance with expectations. Costs sometimes rise at a time when prices cannot be raised sufficiently to cover the increased costs. Loss of sales due to industrial disputes can result in serious difficulties for the businessman; and 1970 was, of course, marked by a series of such disputes across the country. Also, at times of high interest rates and limited liquidity in the economy, the difficulty of financing liabilities and the high cost of carrying large inventories when sales slow down can result in business failure. All these considerations were important in 1970.

The government has neither been unaware of nor unsympathetic to these problems. The measures taken by the government since last March have been frequently catalogued in this House by the Prime Minister (Mr. Trudeau) and the Minister of Finance (Mr. Benson). Particularly important factors in this regard were the growth of the money supply at a much increased rate in the second quarter, and the easing of interest rates. By midsummer the availability and cost of finance were improving for the businessman.

An analysis of the month by month trend in failures shows that the greater part of the increase over 1969 in business failures occurred between February and July. The picture changed sharply in the third quarter, and it is interesting to note that the number of failures began to fall in the third quarter at a time when they usually begin a seasonal increase.

GRAIN—ALLEGED SLOWDOWN IN MOVEMENT TO VANCOUVER BECAUSE OF LABOUR PROBLEMS—ADVANCE NOTICE OF GRADES REQUIRED

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, on February 22 I directed the following question to the Minister of Labour (Mr. Mackasey):

In view of the observation made by the Minister of Manpower and Immigration yesterday on the program "Question Period" to the effect that there was some slowdown in the movement of grain to Vancouver during the period when a couple of sporadic labour problems led to difficulties, can the minister inform the House where the slowdowns occurred and for how long the flow of grain was slowed down?

Proceedings on Adjournment Motion

At that time the Minister of Labour said he could not answer the question because he had not had notice of it. I then directed a supplementary question to the Minister of Manpower and Immigration (Mr. Lang), who is in charge of the Wheat Board, as follows:

In view of the fact that grain movement to Vancouver was slowed down for only two days, can the minister inform the House how much advance notice is required to meet our commitments for specific grades of grain bound for export?

The minister said that he must have missed something at the beginning of the question and wanted me to repeat it, but Mr. Speaker said, "Order, please". Following that I asked the Minister of Transport (Mr. Jamieson), when he appeared before the Standing Committee on Transport and Communications on February 25, 1971, following question as reported at page 51 of report No. 2:

It was suggested that there had been some type of slowdown and tie-up and that the railroads had contributed to this situation. Have you had any contact with the railroads, both the CN and the CP, as to any tie-up in the movement of cars—any appreciable tie-up for the movement of grain to the coast?

The Minister of Transport answered in part:

No. Indeed, in recent months the general reporting has been what I would describe as fairly satisfactory.

A little further on I asked:

Would it follow that possibly the Wheat Board themselves did not have the right type of grain out there?

I meant the coast.

If you are suggesting that there was no tie-up in the pipeline in the movement of grain to the coast, then there must be some reason behind it all if this grain was not available. I am pleased to hear at least that there is no tie-up so far as the rail operation is concerned.

The minister replied:

Nothing untoward of which I am aware other than the normal kind of problem which exists perennially—a shortage of cars at certain locations.

I am glad to see the minister in charge of the Wheat Board here this evening to answer our questions. The most important question to be answered is: How much advance notice is required if we are to meet our commitments for specific grades of grain bound for export? If ships were delayed one month, as the minister suggested in the House, the Wheat Board had an extra month at least in which to place grain in position at Vancouver for export to whatever countries need it.

Of course, we can ask the minister what caused these delays over and above what he suggested on the television program. Did they result from sporadic labour disputes, from a lack of boxcars spotted at country elevators, or from mishaps between origin and destination? Could there possibly be some lack of co-operation between the Wheat Board and railway companies concerned, as well as those people who are buying the grain? Could there be lack of co-operation in placing that grain in export locations?

I suggest that if the minister wants the co-operation of all parties involved he will give in this House answers which are credible. I hope he will answer some of the