

*Business of Supply*

assurance about that as being a matter of grave concern and grave interest to us. Beyond that, the most effective way to fill the storage space is to arrange the deliveries fairly steadily over the period, taking into consideration, however, the fact that generally speaking at the end of the period a marked increase in deliveries must take place. There is, therefore, a situation where there should be put into use a growing number of railway cars in the movement of grain toward the close of the winter season in preparation for the extremely rapid movement of grain which is required thereafter.

• (4:10 p.m.)

It is not in the farmer's interest to pay the additional storage costs of grain simply sitting idly in the Lakehead facilities, but more than that it is certainly not in his interest to have the whole system operate inefficiently and more expensively. I say to hon. members opposite that surely any time there is a choice between doing the thing efficiently and inefficiently, it would be better to do it efficiently and then find a way to pass on those savings to the producer. This surely should be the objective with regard to our handling and transportation system.

There is this year in prospect an extremely heavy movement of grain, and I want to emphasize this because of the important bearing it has upon the state and the condition of our handling system as we move on to the opening of navigation.

I indicated some few days ago the prospect of exports this year of 375 million bushels of wheat, and unusually high exports of barley. That figure alone should indicate the significance of the movement of grain in the remaining months of the crop year, but I would like to analyse it even further.

The hon. member for Mackenzie has referred to the slow movement of grain during the first part of this crop year, and I will come back to that. To the turn of the year about 115 million bushels of wheat were exported. Therefore, to reach the 375 million figure there must be an export of 260 million bushels between the beginning of January and the end of July. That means a very rapid movement of wheat indeed, particularly in the several months of open navigation from the Lakehead, when we will see one of the most rapid movements of wheat out of the country that we have ever seen.

I mention the fact that exports were slow during the first portion of the year. Our

[Mr. Lang.]

China contract had a gap of two months in it. We were paying the price in terms of sales for the period during which we attempted to hold the price at the International Grains Arrangement level, and that period is now behind us. Not only did this mean a slower movement of grain out of the country, to the extent of the 115 million bushels only which were exported in that period, but from the point of view of the individual farmer the problem was even greater during that time because of the fact that toward the end of the last crop year a very large quantity of grain was placed into box cars in an attempt to equalize quotas throughout the prairies. I am told that perhaps as much as 35 million bushels of grain were in box cars at that time. That is not an efficient use of a handling and transportation system, and it is not a use which really ought to commend itself to this House.

I would like to commend the hon. member for Mackenzie for having dealt briefly with the issue of storage, which I suggest is a phoney issue, and then turning his attention briefly to some of the fundamental questions which do face us, some of the fundamental problems which must be solved in the days ahead.

Surely, it is clear to most people that the problem with regard to wheat in this country is more one of too much wheat than of too little storage space. It is clear that we must examine rigorously the issue of how much inventory we ought to carry in this country, and particularly on behalf of the farmer how much inventory, he ought to pay for because he pays most of the costs. This is a decision which must be arrived at in a hard-headed fashion.

Most people have reached the conclusion that the inventory we have now is far and away too large, and that the emphasis should not therefore be on additional storage space but on reducing the grain that we have in store.

The hon. member for Mackenzie did touch on several other important questions, several of which again were referred to by the hon. member for Saskatoon-Biggar. After we have examined with rigour the question of how much grain we ought in fact to store in this country, there is clearly the second question of where it ought to be stored. I have asked that question in that way quite a few times now in speeches throughout the prairie region. If I ask the second question, which is should it not be stored where it is least