

increases in input costs which ultimately are passed on to the consumer, and in view of the fact that fertilizer and fuel are main components in agriculture and that fertilizer is double the price it was last season, can the minister now advise us whether the government intends to take any action to confine the increase in input costs to a reasonable range?

Mr. Whelan: I would caution the hon. member, through you, Mr. Speaker, that the very statement he is making certainly opens the doors for fertilizer companies to take advantage of the impression that is created in the minds of farmers that the price of fertilizer will go up. Our advice and information does not show anywhere near a doubling of the price. It shows some increase because fertilizers are subject to the same increases which everybody in the world faces. For instance, rock phosphate, which we import, has gone up four times in the last month over what it was the month before.

Mr. Danforth: Mr. Speaker, I rise on a point of order. The statement made by the Minister of Agriculture is incorrect because the current posted prices to farmers of products being sold today show almost a 50 per cent increase over just four months ago.

Mr. Speaker: Order, please. The hon. member rose on a point of order but that is debate rather than a point of order. The Chair will recognize the hon. member for Fraser Valley West.

Mr. Whelan: Mr. Speaker, on a point of order—

Mr. Speaker: Order, please. The minister rises on a point of order.

Mr. Whelan: Mr. Speaker, I just want to say that I intend to submit a paper to the House tomorrow that will put some of the facts on the record.

Some hon. Members: Hear, hear!

Mr. Bell: There goes the recess.

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ENERGY

OIL—PRODUCTION AND SHIPMENT BY ARAB STATES

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I should like to direct a question to the Minister of Energy, Mines and Resources of which I have given some notice. In view of reports that shipments of oil from Arab terminals are up nearly 40 per cent, does the minister have any evidence or corroboration confirming the suggestion that Arab states may not have cut production by anything like the amount first claimed?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I am obliged to the hon. gentleman for reminding me of the article in the Economist. I have had inquiries made as to the facts stated therein. I think one thing is clear, that whatever the shipments out of Ras Tanura are the shipments into Portland have gone down.

Oral Questions

Mr. Rose: Mr. Speaker, I believe the minister said he intends to investigate the statistics. If he intends to do that, will he see whether the multinational companies are using events in the Middle East to justify increases in prices?

Mr. Macdonald (Rosedale): Mr. Speaker, I will bear that suggestion in mind.

Mr. Speaker: Order, please. The hon. member will be recognized for a second supplementary, after which the Chair will recognize the hon. member for Joliette and then the hon. member for Vancouver South.

Mr. Rose: Since both the Secretary of State for External Affairs and the Minister of Energy, Mines and Resources have stated publicly that they have not seen the contracts of companies dealing in offshore oil, and in view of the fact that the oil companies have threatened to invoke *force majeure* to reallocate oil shipments, does the government intend to demand that these contracts be revealed before, or upon, the establishment of the national oil corporation?

Mr. Macdonald (Rosedale): No, sir.

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[Translation]

GRAIN

FEED GRAIN—ASSURANCE THAT HIGHER TRANSPORT RATES WILL NOT LEAD TO HIGHER PRICES FOR QUEBEC CONSUMERS

Mr. Roch La Salle (Joliette): Mr. Speaker, I would like to ask the right hon. Prime Minister a supplementary question to those asked by the hon. member for Bellechasse.

Answering yesterday a question from the hon. member for Saint-Hyacinthe, the minister responsible for the Canadian Wheat Board said that the rail movement will be augmented to ensure feed grain supplies for the province of Quebec. As this transportation will be more costly, is the Prime Minister prepared to ensure the House that Quebec producers will not have to pay increased transportation costs?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will discuss the question with the minister responsible for the Canadian Wheat Board.

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[English]

INDUSTRY

REASON FOR SALE OF MACDONALD TOBACCO COMPANY TO UNITED STATES FIRM

Mr. John A. Fraser (Vancouver South): Mr. Speaker, I have a supplementary question for the Minister of Industry, Trade and Commerce following the question by the hon. member for New Westminster. Can the minister advise the reason for the proposed sale of Macdonald's and tell us whether this is in any way related to its inability to