

milk. In this respect, it will hold meetings with provincial representatives without delay.

The date of the Prime Minister's announcement was September 4. That is quite a while ago. The expression "without delay" seems to be somewhat overstated, to say the least.

The cost of living in Prince Edward Island is extremely high. I have here the consumer price index recently received from Statistics Canada covering the cost of food at home in September of this year. Taking 1969 as 100, the figure for September, 1973, is 134.6 for Halifax, 139.9 for Saint John, and 145.2 for Charlottetown. Needless to say, these figures are all far above the figures for many Canadian centres. The recent 6 cents a quart increase in the price of milk on Prince Edward Island is naturally bearing down heavily and painfully on consumers in Charlottetown and elsewhere.

I do not fault the producers, nor have I ever done so. They are facing vastly increased costs and the dairy industry is vitally important to our provincial economy, as it is to the whole country. It is a source of pride to me that though my constituency is largely urban, there are in the rural areas of Hillsborough some of the finest cattle in the country and all sorts of breed prize-winners. It is not the producers I blame.

It is apparent from Premier Campbell's statement that the problem is here. There are surely no valid reasons why the measure of relief offered to consumers cannot be applied to our people. If there are reasons for delay, let the minister or the parliamentary secretary tell me about them. More important, let the wrinkles be ironed out and the subsidy applied. There is no excuse for further delay. The Premier of Prince Edward Island, the leader of the opposition there, and the press have all expressed views similar to mine. I join with them in expressing concern. The leader of the opposition said the problem lies in the provincial area. The premier has very definitely declared that it lies with the Minister of Agriculture. I bring the matter to his attention most forcibly because of the great importance which is attached to it.

[Translation]

Mr. Léopold Corriveau (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, yesterday the hon. member opposite asked a question concerning the subsidy to milk consumers of Prince Edward Island.

Mr. Speaker, I should perhaps take this opportunity to tell the House about the negotiations held with each province. Up to now, agreements have been concluded with seven of them and eight companies of instant skimmed powdered milk. Once the subsidy became effective, the price of milk to consumers was reduced by 4 cents in Quebec on September 17, by 3 cents in Saskatchewan on September 24, by 3 cents in Manitoba also on October 1 and by 2 cents in Nova Scotia; it was reduced by 5 cents in Alberta on October 15 and by 4 cents in British Columbia on October 22. Three provinces, namely Newfoundland, New Brunswick and Prince Edward Island, have not yet concluded an agreement but negotiations are under way. We hope to reach an early and satisfactory agreement with those provinces so that their consumers may take advantage of the subsidy.

Adjournment Debate

[English]

GRAIN—WHEAT—SUGGESTED CHANGE IN CROP YEAR TO EQUALIZE PAYMENTS TO FARMERS WHO MADE EARLY DELIVERIES

Mr. Bill Knight (Assiniboia): Mr. Speaker, on October 16 I asked the minister in charge of the Canadian Wheat Board (Mr. Lang) the following question:

● (2200)

Mr. Speaker, I have a question for the Minister of Justice who is in charge of the Canadian Wheat Board. In view of the fact that many smaller producers delivered their grain during the old crop year in June and July in order to meet financial obligations and debts and therefore lost out on the announcement regarding new prices on July 31 or August 1 for the new crop year, would the minister inform the House whether the government is considering making an equalization payment from the new pool account so as to assist those farmers who took a beating as a result of the new prices?

This is an extremely important question and obviously for the minister and the government, as well as for the Wheat Board, a very difficult one. What am I addressing myself to? I am addressing myself to the fact that in the months of June and July western Canadian farmers delivered in the neighbourhood of 134.2 million bushels of wheat to the Canadian Wheat Board. During that period the Canadian Wheat Board, as the minister rightly pointed out, threw the quotas wide open so the farmers could deliver as much as they wanted.

What happened was that unfortunately, either because the elevator agents at given points did not clearly describe the situation to the farmers or the situation was indeed never clearly spelled out, many farmers delivered wheat, for example to the elevators, took their initial payment in the old crop year and never held their grain over into the new crop year in storage. They were told the world market needed those deliveries.

If some 50 million bushels out of the 134 million bushels delivered were not held over into the new crop year, then as a result of the initial price jump on August 1, the new crop year, of somewhere around \$2 at the elevator, with a final projected price in the area of well over \$5 on the international market, this would mean a loss to those farmers of around \$150 million.

Why did some farmers not hold over their wheat, Mr. Speaker? They did not do so at that given point in the year because they had to meet their financial obligations in terms of bank loans, petroleum costs, fencing, if they had cattle—you name it. In my constituency, just during my office hours many farmers brought to me examples of what happened. Say a three-quarter section farmer delivered 5,000 bushels of wheat. He took his initial price or payment at the elevator, and in doing so lost somewhere between \$15,000 to \$20,000 when the new price came in. In other words, he bore the brunt of carrying our wheat sales commitments at prices lower than the climbing international price. On the other hand, a producer who was farming a considerable amount of land and could deliver a lot of bushels which he would hold over into the new crop year would earn, if he delivered, say, 20,000 bushels, an extra \$60,000.

This situation has created considerable inequity in terms of pool accounts, equal pricing, international market