

Government Organization

GATT negotiations to extend our wheat market, and if our actual exports of barley as a feed grain have dropped,—it has and you can check the figures in the Wheat Board report—how in the name of common sense can these people suggest we are going to put 400 million bushels of feed grain into the export market?

Perhaps we should drop the price of our feed grain, and we have done this. Anyone can read the Richardson weekly report of March 8 and see that we dropped the price of barley to \$1.02. What happened immediately afterward? France undersold us, that's what happened. If there is anyone left, and apparently there are still some in Canada though not many in western Canada, who thinks we can grab the markets of the world by introducing fire sale prices he had better disabuse himself of that idea before it is too late. If we intend to launch ourselves on a program of this kind we had better think twice.

The Wheat Board has quoted a price of \$1.02 per bushel for feed barley. This is 15 per cent to 20 per cent lower than it was a short time ago. How can we expect to sell this grain at a lower price? If we intend to do so, then this government will have to do the same as other governments overseas have done. It will have to say to the farmer, go ahead and produce barley; we will put it on the market and sell it for whatever we can get but we will guarantee a price level. That is the only way it can be done.

There is a minimum price or cost at which the farmer can actually produce barley. There is no magic formula any more. I grew up during the time when you could use hay-wire to fix farm machinery, and when people used to have a number of horses. We used to get up in the morning and round up saddle horses to do the work. This did not take much money. We cannot round up saddle horses any more to do farm work. Now, we fire up the tractors. We pay 25 cents per gallon to put fuel in the tank and \$2 per gallon of oil. Either you ride the tractor yourself or you pay \$1.50 or \$1.75 per hour to someone to ride it for you.

That story is not much different from the one which applies generally to industry today. I do not mind repeating myself. We cannot save the grain industry of western Canada by putting on fire sale prices, and people who think we can had better disabuse themselves of that idea. I do not think the minister is one of those individuals. I suggest this in all sincerity, and with the hope that the minister

[Mr. Gleave.]

will not accept this argument advanced by those people who hold this point of view.

If anyone wants statistics about the grain situation, let me quote a few. I should like to quote from statistics contained in the 1966-67 annual report of the Canadian Wheat Board. During the five year period from 1947-48 to 1951-52 we sold up to 73,458,000 bushels of barley, and in one crop year, 1956-57, we managed to sell 122,077,000 bushels of barley. In the crop year 1956-57 we sold almost 82 million bushels of barley. During approximately a ten year period, we managed to maintain this range of volume. In the crop year 1961-62, we dropped to approximately 42 million bushels. During the period from 1962-63 to 1966-67 we did not recover. We dropped as low as 15 million bushels which is a mere fraction of the 80 million bushel figure we ended up with in 1956-57. In 1966-67, we sold approximately 58 million bushels of barley. Surely, this is some indication to those who suggest we should cut the price that they should have second thoughts. This is a concrete example of what has taken place.

Our approach to this whole matter should be determined at the bargaining table. As the minister has suggested, it takes two to tango. We should learn some new steps. We hear two different stories about the agricultural situation. When the GATT negotiations were completed, it was announced that we hoped to export \$1.5 billion a year in manufactured goods.

The Chairman: Order, please. I am sorry to interrupt the hon. member but his time has expired.

Some hon. Members: Carry on.

The Chairman: Is there general agreement that the hon. member carry on?

Some hon. Members: Agreed.

Mr. Jamieson: Change to the rhumba.

Mr. Gleave: Mr. Chairman, I think I have said most of what I want to say to the members of this committee. I hope the new department will be seized of the importance of the task we must undertake. I hope it will not accept the unsubstantiated assumption that we must put one third of our wheat land out of active production. I hope the new department will not accept the assumption that half of the farmers in Canada are going to be out of business by 1980. If this new department or this government accepts this assumption, this country is headed for some real disasters,