

*Prairie Grain Advance Payments Act*

temperature rises, it is also true that the quantities involved are now of such magnitude that it is almost physically impossible to cope with the situation.

The statement of an Alberta official of the Department of Agriculture that considerable grain may spoil if not looked after is an indication of the concern of those nearer the problem about having it aired and remedied if possible. The difficulty of grain drying has been compounded by the limited amount of grain that can be dried at inland terminal elevators. There are only 6,000 bushels of wheat now in store at Vancouver, where there is a maximum variety drying capacity of four million bushels a month, and this has seriously compromised the movement of wheat out of the port of Vancouver. Together with the very cold winter, when it is considered that about a week ago there were only one million bushels of No. 2 northern in store at terminals there and that 11 million are needed to take care of the ships already in port and the five or six more vessels expected by February 10 to transport approximately 75,000 tons of No. 2 northern to Japan, the shipping of No. 2 northern, for which the Wheat Board has had good sales, out of Vancouver has been made extremely difficult.

It seems to be a fact that the very large amounts of tough and damp grain in store at Vancouver waiting to be dried for shipment to China have overtaxed the capacity to handle the extra sales that were generated when the Japanese entered the market and took substantial quantities of No. 2 northern for importation. So I welcome this bill as a measure to improve the lot of the farmer in drying his grain. Since much of the grain now in storage on the farms must be dried by the farmer himself, this assistance will be a welcome addition in solving his problem.

The problem of drying the grain is only part of the much larger problem of marketing and the very severe competition which we face in the world. Last week a gloomy view was taken of Canada's position in the world wheat market by the president of the Winnipeg Grain Exchange. He stated that Canada's position is precarious and unlikely to be as good again as it has been in recent years. Two recent articles in a United States grain journal, *The Southwestern Miller*, have been of some interest to Canadian farmers and may be a serious portent of what is in the future. One article noted that there was an underlying current of dissatisfaction in the

United States with the operation of the International Grains Agreement. There was doubt about the ability of the United States to compete in dollar markets which had become prevalent or noticeable when the grains agreement had come into effect.

The American Farm Bureau Federation has an influential voice in American agriculture and may have an important voice in the new administration. At its recent annual convention the federation adopted a resolution calling flatly for withdrawal from the International Grains Agreement as part of an effort to expand trade and increase exports. As the grains agreement has been approved by Congress for three years ending June 30, 1971, it is noted that it will probably be extremely difficult to have the new Congress disallow or abrogate the agreement. But even within the agreement the new administration could move toward being a much tougher competitor than at present in the pricing of wheat in the world dollar markets.

The prospects for exports of wheat into eastern Europe or the Soviet Union seem to be rather dim. This area, which at one time was a leading importer, now threatens to become more aggressive in the export wheat trade. Russian wheat with a minimum guaranteed protein of 14 per cent is being marketed in Britain at the rate of 20,000 metric tons a month. This new guaranteed protein level will be difficult to meet and it is an area into which the Wheat Board and Canadian marketing authorities will have to look. It would be hopeful if the Russians could be induced to take up their option for the balance of this crop year, and I am sure that western agriculture is looking hopefully in this direction.

This measure will be an inducement for farmers to dry their grain because, having committed so much to the cost of harvesting it, it would be a great tragedy if the grain was not put into condition to be stored for a considerable length of time. It is stated by Mr. McNamara, chief commissioner of the Canadian Wheat Board, that there are enough driers to dry Canada's damp grain if they were in the proper place and were used to the fullest extent.

● (2:20 p.m.)

It is hoped that this measure will facilitate the situation so that as much grain as possible will be put into condition and stored before its disposal. I endorse what has already been done by the government but I suggest it cannot stop there. Many farmers are in serious