

*Committee Reports*

sector, ultimately resulting in a small and less stable domestic market for Canadian agricultural production

The situation affecting producers is one in which I have particular interest. The Hon. Member for Swift Current-Maple Creek spoke of the producers or farmers in his locale. In Etobicoke-Lakeshore, for example, we have Christie bakeries. Everyone knows "Mr. Christie, you bake good cookies". Christie Brown & Co., which makes cookies and crackers, is the largest cookie and cracker manufacturer in Canada. The President of the company, Mr. R. J. Verdun, indicated the following:

I appreciate the plight of the wheat farmer. I don't appreciate the logic of undercutting the competitiveness of Canadian producers which can't be in the farmers' long-term best interest in lieu of simply providing temporary deficiency payments to farmers.

I have also spoken at length with the plant manager at Christie Brown which has 800 employees and is looking at significant lay-offs because of biscuits and cookies which are being produced with lower-priced American and European wheat flour. Manufacturers abroad are able to produce products which are coming into Canada at a much lower price, and our market is very seriously challenged.

Morrison Lamothe Inc. is one of many such companies in my riding. Its president, Mrs. Grete Hale, pointed out the following:

We are in the specialty bakery business and the present retail prices of our products will have to rise by 10 per cent to 13 per cent.

That is, given the proposal to go to \$10 per bushel. She continued:

Such substantial increase as it occurs in such instance will cause a decline in consumption because of higher cost to the consumer and eventually a reduction of employment.

• (1340)

**Mr. Wilson (Swift Current—Maple Creek):** Mr. Speaker, I rise on a point of order. I am becoming concerned that I may not have a chance to respond to the excellent points being raised by the Hon. Member.

**The Acting Speaker (Mr. Charest):** So is the Chair. Perhaps the Hon. Member for Etobicoke-Lakeshore (Mr. Boyer) would like to wind up.

**Mr. Boyer:** Mr. Speaker, I would like to come to a quick conclusion. I have heard at great length from Local 426 of the Bakery, Confection and Tobacco Workers International Union. In short, theirs is a concern that was clearly described in the committee report.

In the Hon. Member's view, does the recommendation adequately respond to the concern of the processors, the bakers, those who work in the bakeries, because the processors do represent one important part of the chain? Does the Hon. Member not agree that what is very important ultimately is fairness throughout the chain?

**Mr. Wilson (Swift Current—Maple Creek):** Mr. Speaker, I am pleased to be able to respond to the position put so eloquently by my colleague, the Hon. Member for Etobicoke-Lakeshore (Mr. Boyer) who represents, I am sure, the consumer and the processing end of the equation. It is very important that we hear from someone with that sort of constituency in the debate today. Too often there is the possibility that we hear from one side only. Thus far we have heard from those who are most sympathetic to the position of the grain farmer.

Indeed, there is a good deal of truth to what my colleague has put forward. This is a partial solution. Indeed, it is a 10 per cent solution. Clearly, as the quote from the Christie representative indicates, there is a general recognition across Canada of the plight of the grain farmer against an impossible back-drop of international price subsidization. There is a world wheat war going on and the Canadian producer finds himself on the sidelines watching. In fairness, we cannot stand by and watch that happen.

Through the workings of the two price wheat system, from time to time there have been benefits passing from the Canadian wheat producer to the consumer through that system. I am suggesting to the Hon. Member that that turn-about is fair play. This is a time I believe in our history when the producer is up against it and, therefore, it is quite right and proper that there be a transfer, if you like, from the consumer to the producer through the two-price wheat system.

I also recognize the concerns which the Hon. Member expresses with regard to the processors. One of the great regrets I personally had in participating in the domestic wheat hearings was the compressed amount of time and the inability to be able to question in depth the representatives of the processors. We were told that in addition to the wheat flour cost component in bread, the bakers, for example, would want to add another 60 per cent on top of that to the ultimate pricing of bread. They stated that this was for such things as returned products, production waste, selling commissions, discounts and so on. As I mentioned, it is regrettable that the time available to the committee did not permit closer examination of these claims and the opportunity to question industry representatives thereon. In any event, accepting their figures and current pricing methods, it appears that an increase in the domestic wheat price as suggested could manifest itself into an increase on a 16 ounce loaf of bread of perhaps 7 cents and on a 24 ounce loaf of bread of perhaps 10 cents. Similar mark-up activities would take place on other wheat-based products.

The committee was aware of the problems expressed, and it is a case of trying to work out a fair and equitable solution for all Canadians. I have every confidence that the Ministers involved and the Cabinet will accept the report, examine it and come forward with the appropriate recommendation. I note that the Hon. Minister of State for the Canadian Wheat Board is in the House. I believe he wishes in the remaining time available to respond on debate. I am, therefore, prepared to concede the floor to him.