

Canadian Wheat Board Act

Mr. Ross (Souris): Somebody questioned the figures I was using. Then the hon. member for Glengarry I think stated that he spoke that day and used the figure of \$70 a ton. I will just quote the member to whom I was referring; it was the hon. member for Russell. This is to be found at page 1559 of *Hansard* of April 4. He said:

Today the bulk car price for No. 3 C.W. oats is \$76 a ton at stations in eastern Ontario less a subsidy of \$6 per ton.

Mr. Fair: May I ask the minister what the average price of class II wheat was during the 1948-49 crop year as compared with the \$2 a bushel?

Mr. Howe: I cannot answer that question. My hon. friend can get the information when the wheat board is before the committee on agriculture. I believe that will be on Wednesday.

Mr. Smith (Calgary West): The minister said that the wheat board offered coarse grain every day on the market. Do they fix the price at which they offer it, or how do they arrive at it?

Mr. Howe: It depends on the demand. It is sold at the market price of that day.

Mr. Smith (Calgary West): All right. But they are the only people who have any.

Mr. Howe: No. There are other people.

Mr. Smith (Calgary West): They are the only vendors. Tomorrow will be Tuesday; that is, with any luck, it will be. I think this is Monday. As I understand the minister, the wheat board tomorrow will offer what? Will they offer so much barley, or how do they do it? Will they offer 10,000 bushels or 20,000 bushels or what do they offer? Surely it cannot be done in that way.

Mr. Howe: They will offer coarse grains to fill the demands of that day, provided they have coarse grains delivered at the lakehead which enable them to offer that quantity.

Mr. Smith (Calgary West): Then the position of the wheat board is this. They do not fix the price at which they offer at all. What they do surely is to take the buyers' bids and, if they have grain in position—I think that is the expression—to make delivery, they then go on the buyers' bids, surely. What I mean is this. They do not pick the price out of the air. Or do they follow Chicago or Kansas City or something like that?

Mr. Howe: They offer oats and barley on the market at a price which to them seems a reasonable price in view of several factors. One is the demand. If there is an active demand for barley or oats, that has an

influence. The price on the Chicago market also has an influence, although the two prices are not comparable. Canadian oats and barley have been selling above the Chicago price. The price of American corn is a factor. There are various factors to be taken into consideration. The officers of the wheat board are trained to analyse those factors and to come up with a price.

Mr. Smith (Calgary West): I know. But surely the price of anything is that arrived at between a willing buyer and a willing seller. Surely their price must be fixed on the applications, orders or offers they have for coarse grains. Is that not the only way it could apply?

Mr. Howe: Whether or not they are a willing seller depends on the offers that are made. They do not accept any offer that is made.

Mr. Smith (Calgary West): Oh, I know that you do a little "David Haruming". I admit that. You probably try to get them up a cent or something of that kind. But surely the basis of the price at which it is sold depends, to use your words, on the offers they have for the grain on that day or the night before. That must be the basis of it, is it not? What I mean is this. The wheat board do not fix it at all. It is the buyers who fix it. Is that not right?

Mr. Howe: Yes.

Mr. Smith (Calgary West): Thank you very much.

Mr. Major: The average price was \$1.25 per bushel, delivered to my farm. That is at page 1554 of *Hansard* of April 4. While I am on my feet, let me say this. The minister has I think stated that any group of farmers could buy a carload of feed from the wheat board. Could a farm association in eastern Ontario buy it for their farmers if they wanted to?

Mr. Howe: Yes. Anyone, or any group of people, can buy coarse grain at the lakehead. My hon. friend suggested that the price be held down to a ratio based on the price of livestock. That is one theory of marketing coarse grains, but it is not the theory of marketing that is imposed on the wheat board by the grain growers of the western provinces. If my hon. friend can persuade the growers to accept that formula, the board will be pleased to carry it out.

Mr. Fair: If a formula of that kind is considered, I think you will soon have a demand by western hog and cattle growers for the same freight from all points to Toronto in