

### Feed Grains

charged to the eastern feeder should reflect the export price. Any reduction in price on the barley pool will cause a reduction in the growing of feed grains in the west.

If there is to be assistance to the eastern feeder—there already is the feed freight assistance of \$22 million which, certainly in times of high prices, assists the eastern feeder—the price of barley to the western farmer should not be reduced below the export price, because the producer would suffer. There have been some suggestions by various farm organizations. One is that the Wheat Board would offer all producers suitable amounts of feed grain on the open market so that the eastern feeder would have ample opportunity to buy western grain.

There is another solution. At present in British Columbia, out of the Peace River block, feed grain is supplied to the lower mainland by companies which buy grain direct from the farmer and sell to the domestic feeders in the lower mainland. The price received reflects the selling price that the Wheat Board has posted in the feeding area.

The Wheat Board would remain in control of quotas and shipping arrangements. There are those who fear that any lessening of the Wheat Board's authority would undermine its effectiveness to deal with the marketing of wheat, oats and barley. But opinions vary considerably among the farming communities. It seems that whatever the policies are, they will probably not be suitable or acceptable to all people. We are dealing with the situation of a limited quantity of grain, and the simple fact is that if the prices go down this will only cause a reduction in the quantity grown.

I should like to turn to the heart of the resolution, dealing with rapeseed. There are some questions which have not been answered by the government. What is happening to the pricing mechanism in respect of rapeseed and flax, with the export controls? On what basis are rapeseed and flax permitted for export? Generally, we assume that the protein supplements are interchangeable such as in rapeseed or flaxseed meal. However, they are of only limited value in respect of replacing each other. It is important to recognize this. We also must recognize that only a small quantity of the total amount of rapeseed and flax grown in this country can be crushed in the facilities available in Canada.

I think it is important that our overseas markets be not jeopardized by panic restrictions on the export of rapeseed and flax. In effect, we have only limited ability to produce this protein for animal consumption. The government has not indicated how it is coping with this problem. Also, it seems most important that producers not be obligated to take reduced prices in order to protect the market. Surely at this time, when the prices of rapeseed and flax have been low for many years, it should not be the producers who suffer.

**Mr. Frank Hamilton (Swift Current-Maple Creek):** Mr. Speaker, the hour is late and I do not propose to speak for very long. I think it is somewhat silly to be debating such a subject when we do not really know what government policy will be. The hon. member for Saskatoon-Biggar (Mr. Gleave) said that surely we are not going back to primitive measures. I suspect he is referring to the primi-

[Mr. Ritchie.]

tive measures adopted by our great neighbour to the south, the United States of America.

I wonder if hon. members to my left have any idea what United States' farmers who are harvesting in Texas and Kansas are receiving for a bushel of wheat. For their information, they receive about \$2.35 for a bushel of wheat. These are the same people who voted against our proposal to increase the price of wheat by some 30 cents a bushel; they are the same people who voted for Operation Lift.

• (0050)

The hon. member for Meadow Lake (Mr. Nesdoly) talked about the orderly marketing of feed grains being sacred to western Canada. Well, if you consider thousands of court cases and the establishment of provincial grain commissions being orderly marketing, I suppose that is where we are at right now.

He also said that it was a Conservative government that loosened up on the feed grain regulations 10 or 12 years ago. That is absolutely correct, and the one province in the west that did not have an NDP government took advantage of it. This led to the establishment of feed mills, feed lots and packing plants in the province of Alberta. We used to export, before that, some 500,000 head of cattle a year from western Canada to the United States. This year we exported 80,000 head of cattle from western Canada to the United States, and only 5,000 head of cattle last year. In effect this is the sort of secondary industry we need in western Canada.

The minister talked about the failure of farm groups to arrive at a decision. The only trouble there was that the minister listened to the wrong advice. It is up to the minister and the government to set the policy.

Once again it was interesting to listen to the minister taking credit for natural disasters around the world. Since 1952 the average build up of Canadian exports has been less than 2 per cent a year. There has been no need for the panic and the confusion that the minister created in the minds of farmers about the grains industry in western Canada.

The government has really done nothing to encourage the establishment of secondary industries in western Canada. I am thinking of industries processing our oil seeds. Government policy, through the Canadian Wheat Board, has hindered the establishment of a crushing industry in western Canada.

Tonight we have a motion before us dealing with the threat to the Canadian feed grain market by U.S. controls. Here I am going to use the expression that the President of the Privy Council (Mr. MacEachen) likes to use—ludicrous. I would say that the control placed on rapeseed is nothing short of ludicrous. This is the Cinderella crop of western Canada. The U.S. does not export one single bushel of rapeseed. For this government to place export controls, or even to threaten controls, on rapeseed once again is nothing short of ludicrous.

The present government has never been able to separate grain policy from agricultural policy. I say to you, Mr. Speaker, that there is a very clear distinction in the minds of western producers. Grain policy is very simple—grow