

Wheat Payments

example, then the farmer receives, not \$5.75 but \$3.25, the miller pays \$3.25 and the cost to the national treasury is nil. But in that instance the farmer has lost \$2.50 on the floor price that was in effect, and would continue to lose it so long as the world price for 1 CW Durum remained that low. In other words, in reality the floor price for both hard wheat and Durum is \$3.25, although when one looks at the legislation it looks as though the floor price of Durum is \$5.75. But it is a mythical floor because once Durum drops below \$5.75 a bushel, the floor price drops with it down to \$3.25.

I must say I do not understand the reasoning for this. With only the odd exception in a crop year over the last 12 or 15 years or so, Durum has always been of higher value than hard wheat, costing anywhere from 25 cents to \$3 more per bushel. I do not know why the minister insists on having a \$3.25 floor for both Durum and hard wheat when this has not been the practice or the history in the past. I hope the minister will bring in an amendment of his own in committee which will provide that there be a higher floor for Durum than for hard wheat. If he does not want to stick with the \$5.75, we can always argue what is appropriate; but I think it is appropriate that there be a higher floor for Durum than for hard wheat.

We may never have to use it, Madam Speaker. If world prices stay up during the six years, we will never have to use it. But in case the world price for Durum does drop drastically between now and 1980, and if the economists who are predicting a depression are right, then we should be prepared for it. I contend the minister would be well advised to bring in an amendment to the legislation providing for a higher floor price for Durum in the event of a drastic drop in the world price.

In regard to both the direct and indirect subsidy to the consumers of bread, I think it is incumbent upon the minister in charge of the Wheat Board, the Minister of Agriculture and the Minister of Consumer and Corporate Affairs (Mr. Ouellet), to get together and see to it that we do a much more accurate job of monitoring the subsidies and of ascertaining whether or not they do reach the consumer. This matter was raised during the question period today with both the Minister of Agriculture and the Minister of Consumer and Corporate Affairs, and I do not think it is by any means settled.

In my opinion, the subsidy on powdered skim milk is not being passed on to the consumer, and has not been passed on in the past year or so. Mrs. Plumptre says that it has not been passed on, and the Retail Council of Canada admits it. In fact, they have told their members that they have no obligation to pass it on. Surely the minister in charge of the Canadian Wheat Board, and the Minister of Agriculture, are not going to allow themselves to be "had" in that manner. It is time for them to get tough. I know they are both tough people, and when the going gets tough it is time for tough people to get going.

Mr. Whelan: You have been reading my speech.

Mr. Benjamin: I am sorry, but I have not read the minister's speech. Incidentally, that phrase is one that Woodrow Lloyd used for years. As far as government monetary intervention in the economy is concerned, unless and until we have proper monitoring through legis-

[Mr. Benjamin.]

lative authority, and the will to enforce that authority to ensure that monetary intervention by the national government does reach the consumer, the situation will not be satisfactory. If we do not do that, all we will have done is fatten the pocket-books of those who do not need it. We will have helped neither the farmer nor the consumer.

● (1540)

It is a "must" that the benefits of this monitoring and these rigorous requirements are reaped by the consumers. If the minister in charge of the Wheat Board fails to accede to that suggestion in respect of the price of bread, flour and pastries, then I submit there will be a misuse of public funds. I hope the Minister of Agriculture, in the areas in which he is responsible and in which there is monetary intervention by his department in respect of various agricultural products, will see to it that these subsidies reach the consumer.

We are not interested in the arguments or any warfare that is going on between the Minister of Agriculture and the Minister of Consumer and Corporate Affairs. Let them have all the arguments they want. But when they are through, I hope there is a co-operative effort by the departments concerned, and the Food Prices Review Board, with effective machinery put into place quickly not only to ensure but to require that these subsidies reach the consumer. Otherwise, this is nothing but an exercise in futility.

I wish to repeat my main argument and contention to the minister, reminding him again of the loss of \$2.50 in the floor price for 1 CW Durum in the event there is a drop in the world market. I plead with the minister to take this into account. I hope he will have the opportunity to comment on this question later today. Failing that, I hope he will at least bring in an appropriate amendment when the bill reaches committee. I am pleased to say that we support in principle this legislation.

Mr. Arnold Malone (Battle River): Madam Speaker, in order to speak to this bill one certainly needs to have a forked tongue, as there are in this bill principles with which one can agree, but many shortcomings which leave a great deal to be desired. When the minister introduced the bill, he suggested that it envisaged a two-price system for grain and wheat. The fact is, that is simply not the case. First of all, it does not apply to all grains, and it really does not apply to all wheats. It refers to those wheats which are sold for use and consumption in Canada. Obviously, this means it applies to those wheats that are used for the milling of such commodities as macaroni, bread and pastries. That constitutes about 10 per cent of the grain consumed in Canada. This means that we are talking about a two-price system for 10 per cent of Canadian milling wheat. That, of course, is not a two-price system and falls far short of what the minister suggested.

More importantly, while it is assumed to be a bill—as the minister mentioned—that will offer a subsidy to the consumer, in fact it will not do that either. The fact is that the cost of wheat has very little to do with the cost of bread. When we consider what is comprised in the cost of bread, we all know that wheat must go through the milling, baking, packaging and marketing processes before it reaches the kitchen. Of every \$1 we spend on bread in