

*Inquiries of the Ministry*

heavy program for this navigation season, and it is expected that Churchill will have a record high volume of wheat movement this year. I have before me the figures of recent movement, and for those who are familiar with the subject the estimated movement for this crop season will be 22,500,000 bushels, which I think everyone will recognize is a new record. The Soviet union required shipment prior to the opening of the 1964 Churchill navigation season, and the contracts were drawn up accordingly.

The government is very anxious to maximize the movement of wheat through Churchill. It is very conscious of the advantages of moving wheat in that direction, not only to the farmers but in order to reach as high a volume of exports as possible this season. The Canadian wheat board have advised that they are still prepared to enter into further commitments for shipment out of Churchill this fall. Account must be taken, however, of the buyers' wishes in this regard, and to date the fact is that no buyer has been prepared to charter vessels for Churchill that would involve movement beyond October 20. In this connection marine insurance is increased on October 15 and no insurance is available after October 20.

**Mr. Thomas M. Bell (Saint John-Albert):** A supplementary question to the Minister of Trade and Commerce. In light of reports that most, if not all, of the flour shipments in this Russian deal are going through the port of Halifax, would the minister be prepared to state the government's intentions in this regard in regard to all eastern ports, since flour is the most lucrative commodity for the communities involved?

**Mr. Sharp:** All I can say to the hon. member is that everything possible is being done to export every bushel of wheat and every barrel of flour that can be moved out of our ports this year. If there are any suggestions that any hon. members have for ways in which the total movement might be increased, we would be very happy to have them.

**Mr. Kindt:** A supplementary question. Was the wheat deal with Russia on the basis of Canadian funds or U.S. funds or sterling? If it was on the basis of Canadian funds, was the exchange rate of 92½ cents to the U.S. dollar kept in mind and the Canadian wheat farmer protected? We are all happy about the Russian sale—

**Some hon. Members:** Hear, hear.

**Mr. Kindt:** —but I would like to make sure the Canadian farmer has been protected.

**Mr. Sharp:** All I wish to assure my hon. friend of is this. The Canadian wheat board

does everything possible to get the highest possible price and to safeguard the interests of the farmers for whom they act.

**Mr. Kindt:** Yes, but was it made in Canadian or U.S. funds?

**Mr. Sharp:** The Canadian wheat board fixes its price in Canadian dollars but is willing to accept U.S. funds or sterling as long as they can be converted to Canadian funds.

**Mr. Kindt:** But was the contract in terms of Canadian funds or U.S.; I mean the over-all contract?

**Mr. Sharp:** The Canadian wheat board always sells its grain at the going market prices which are expressed in Canadian funds. It does not really matter to the Canadian wheat board how the transaction is carried on as long as the wheat board gets its price and gets its money.

**Mr. Simpson:** Mr. Speaker, a supplementary question to the Minister of Trade and Commerce. The most recent publication of the *Manitoba Co-Operator* carries a statement by the president of the St. Lawrence seaway, Mr. R. J. Rankin, which indicates that it is probably intended to keep the St. Lawrence seaway open longer this year if possible. This statement and these plans have apparently been made since the Russian wheat deal was finalized. Could not the same situation apply as far as Churchill is concerned? Were the Russian negotiators made aware of all the desirable features of shipping out of Churchill?

**Mr. Sharp:** Yes, Mr. Speaker. I can assure the hon. member that the Canadian wheat board did everything possible to ship as much wheat as possible through Churchill. The fact that they were not able to persuade the Soviet union to take more out of Churchill was simply because they found that, everything considered, it was better to take the wheat out of other ports in this season. We are still hopeful that in 1964, if there can be a renewal or extension of this agreement, Churchill will be used.

**Hon. Paul Martineau (Pontiac-Temisca-  
mingue):** I have a complementary question for the hon. minister. I wonder whether the minister would elaborate on the remarks which he is supposed to have made during his recent pilgrimage to western Canada, when he told the western grain growers that the Russian wheat deal was more or less a fluke, that they were not to expect a repeat and should be encouraged to grow less wheat?

**Mr. Speaker:** The hon. member for Wellington South.