

sales force. It seems doubtful that it could use a futures market. In any case, before anything is decided it would be wise to know what sort of selling mechanism the Wheat Board will use to dispose of rye, flaxseed and rapeseed. There is another system which would involve pooling, whereby the Wheat Board would allow selling on the open market and would give an average price to the farmer.

This is a very important bill dealing with these three grains, but particularly with regard to rapeseed. It seems most important that farmers, especially rapeseed producers, be heard and that our exporters be heard. There is evidence that the Japanese have seriously questioned our ability to sell in this way and have indicated that they view it with considerable alarm. In any case, the action on the market in the last few weeks since the minister made his announcement has not been favourable to the trade, and unless a good system is evolved we may well lose sales and some of the advantages we have gained over the years in respect of this product.

Therefore, before this amendment becomes law—once it is implemented there will be no further opportunity for consultation with the rapeseed producers or the trade—I think it is most important that widescale hearings be held. I hope an amendment will be introduced in the committee whereby this portion of Bill C-238 will be deleted until further study is carried out and it is ascertained that the placing of these three grains under the Wheat Board will be advantageous to the producers.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I should like to say, first, that I am sure many of us paid great attention to the letter from James Richardson and Sons which was read by the hon. member for Dauphin (Mr. Ritchie). When I think of James Richardson and Sons criticizing the placing of rape, flax and rye under the jurisdiction of the Canadian Wheat Board, I wonder whether we should not be concerned about who is going to be raped by whom in this regard.

It seems to me it is only proper that we consider the people and organizations which have expressed opinions regarding placing these grains under the Canadian Wheat Board. I would quote the most recent article in the pool broadcast of April 28 suggesting that "it has been a long-stated request by farm organizations for many years, and while the legislation itself does not mean that automatically these grains will come under the Wheat Board, it is a necessary first step to allow this to happen." It continues:

In the past we have been concerned about the marketing of these grains based only on the futures market, because this does not tend to lend stability to price or assure a continuity of supply to purchasers, and in discussions that we have had with importers of Canadian rapeseed in particular, namely the Japanese, they have requested that we bring more stability into the marketing of that grain and have urged us to adopt a system similar to that used for marketing wheat. So, I believe, that this step is a useful step in developing long-term markets for rapeseed.

It appears to me that whether or not we agree that rapeseed, flax and rye should come under the jurisdiction of the Canadian Wheat Board, this legislation spells out a

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permissive attitude by placing these grains under the jurisdiction of the Wheat Board. At the same time we have to find out whether there is any orderly marketing of grains of the kind we should expect in this country.

I believe that one of the concerns with which all of us here have been confronted in the last three years deals with the auctioning of grain at various auction marts across the country. Not long ago I wrote a letter to the Minister of Industry, Trade and Commerce (Mr. Pepin) asking whether he was aware that grain was being auctioned off at various auction marts across the country. I asked whether it was permissible under the Canadian Wheat Board's regulations to accept wheat or other grains as part or full payment for such items as were listed in a sales notice which I enclosed with my letter. The sales notice was from an area of western Canada which accepted grain in trade.

In reply the Minister of Industry, Trade and Commerce indicated that there was nothing illegal in the acceptance within the province of origin of wheat or other grains in full or part payment of goods sold. He said that the Canadian Wheat Board Act authorizes the Canadian Wheat Board to control prices for grain delivered by the producer to country elevators. In this context, other than for grain sales from country elevators there is no provincial or federal legislation controlling grain prices for sales within a province.

At that time thousands of bushels were moving from province to province, and thousands of bushels were being sold at fire-sale prices throughout western Canada because people had to sell their grain and obtain dollars in order to survive. They were compelled to do so. However, I am sure that most hon. members realize that this cannot be considered an orderly marketing of grain. This matter should be seriously considered if we are concerned about the producer receiving a fair return for his grain. We do not want to put him in the position of having to sell his grain at less than the cost of producing it, in order to buy a loaf of bread.

Some time later another situation came to my attention regarding an advertisement which appeared in a newspaper in western Canada. It read:

Required immediately, 1,000,000 bu. No. 2 hard wheat. Will pay 17 cents cash per bu. Delivered to nearest elevator.

In reply to a question of mine in the House, the Minister of Agriculture (Mr. Olson) said he would appreciate my sending him a copy of the newspaper advertisement, which I did. I thought it was in order for the minister to ask for it at that time. In his reply he suggested that he had been in touch with the Wheat Board regarding the advertisement and wrote:

—they advise me that they made a full investigation immediately it appeared. They state that in so far as they are concerned there is no evidence of any illegal activities involved in this offer.

I saw the wheat being delivered into storage in reply to this advertisement and I saw the hundreds of trucks heading for the Alberta border and going into Alberta with grain at fire-sale prices—grain which was being moved from province to province. At that time many