

Adjournment Debate

certainly occasions, and I think this year is one of them, where as much as 50 million to 100 million bushels of wheat might move into the milling trade, particularly if world supplies of wheat become low. Although the world wheat surplus is quite large, recent market reports indicate that the Russians are now in the market for larger quantities of wheat than was anticipated and that the price of wheat has risen about 50 cents per bushel in the past month or so. Whether they would be interested in this low grade wheat we have produced on the prairies this year I am not sure, but any large cut in the American surplus would allow our wheat to fill markets around the world. The American grain trade may well bring that country much higher wheat prices because of the coup of the Canadian Wheat Board last fall in selling most of its wheat at very low prices. Prices in the Chicago exchange are more than 50 per cent over what they were last fall.

Now, Mr. Speaker, this problem is not a partisan one. It affects to a varying degree, all farmers, regardless of their party, on occasion, and should be explored. Surely more effort might work out a more reasonable solution such as the possibility of introducing a grade between No. 3 utility and No. 3 CRSW. If it is in the interests of the economy of handling, that a large amount of wheat is relegated to one grade with widely varying qualities and values, then we should very carefully consider whether or not some adjustments should be made in this area. I would hope that the minister would look at the problem and have his experts carefully study the situation. It is certainly to our national advantage to develop the best possible system of identifying the varying qualities of our wheat, while at the same time bearing in mind the economics of selling, handling and moving this wheat. I believe that the problem has been looked at before and that results have been inconclusive. I understand also that some government machinery may be in motion to look at the situation.

I have entered this adjournment debate, in which I am not a frequent participant, in order to pinpoint the gravity of the situation for the wheat farmer in my constituency as well as the many other farmers in the three prairie provinces that are affected this year.

[*Translation*]

Mr. Yves Caron (Parliamentary Secretary to Minister of Agriculture): It gives me pleasure to answer the question put by the member for Dauphin on the 26th of October 1967.

Schedule I of the Canada Grain Act now indicates classifications for three different grades of Canada utility wheat. These grades were established in 1971 and are applied for the classification of wheat in the rural terminal elevators. The first two grades consist namely of varieties designated for uses other than bakery. The third grade includes all the other varieties and types which do not belong to other classifications because of damage or excessive lightness.

The Board of Grain Commissioners for Canada has estimated that the percentage of No. 3 utility grade for this year's harvest is around 16 per cent because of the bad weather. The split of this grade into one or several other classifications will increase the stress on storage facilities and consequently will

[Mr. Ritchie.]

not bring any benefit to either producers or consumers. Therefore, the Canadian classification system has enabled our clients to get the benefit of high quality products associated with standardized classifications. Depending upon their classification these products are in great demand by foreign customers. The assurance of a standard classification of our grains has always helped us in our sales.

The same situation happened again in 1974. After consultations, the government at that time decided not to change our classification system and it all worked out to the satisfaction of the buyers. However, because of an exceptional situation due to rainy conditions in the west, it might be necessary to consider the need for reviewing the wheat grading system. As the minister indicated in his answer on this subject on October 27, experts in this field are now considering the possibility of revising the grades. Indeed the committee on western grain classification will meet this week and when a decision is reached I will be pleased to advise the hon. member.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been withdrawn.

Motion withdrawn.

Mr. Deputy Speaker: I do now leave the chair until eight o'clock tonight.

At 6.30 p.m. the House took recess.

● (2002)

GOVERNMENT ORDERS

[*English*]

INCOME TAX ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Chrétien that Bill C-11, to amend the statute law relating to income tax and to provide other authority for the raising of funds, be read the second time and referred to committee of the whole.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, before private members' hour I had been talking about some of the proposed changes in the insurance company provisions. Here we will need a much more detailed explanation from the minister than is contained in the ways and means motion and in the bill.

The language of the bill is like any income tax bill. I do not think one has to apologize to anyone. It is terribly complicated. If you want to apologize and say you do not understand it, you join 99.9 per cent of the people of the country. There are only a few tax lawyers, tax accountants and people at National Revenue who understand the Income Tax Act. I do not make any pretext of so doing; however, I think I understand some of the principles that apply to income tax.