

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, as have all hon. members of this House, I have been very interested over the course of the last several hours to listen to the important debate which has been taking place with respect to federal-provincial fiscal arrangements. I welcome this opportunity to say just a few words in the discussion this evening, partially at least in response to some of the rather provoking commentary which we have just heard from my friend, the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn). At the outset it might be useful to set the record straight. The water has been substantially muddied by what has been said in the last few moments.

Before the hon. member for Saskatoon-Biggar got into his substantive comments about the legislation and some of his concerns as a westerner, he began with a rather gratuitous and unnecessary preamble which, I am sorry to say, emphasized two rather familiar and unfortunate Conservative themes, divisiveness and confrontation. The hon. member spoke about divisiveness in Canada, and in the early part of his remarks he went back some 15 years in our history and made the general accusation that somehow the Liberal party had criticized the Diefenbaker administration for giving too much to western Canada. That allegation is rather nonsensical. In terms of regional disparity and alienation in western Canada those problems only grew worse during the years 1958 to 1962; they did not improve.

Some hon. Members: Oh, oh!

Mr. Goodale: In fact, despite the largest majority given to any prime minister, let alone a western prime minister, they did not improve. Western problems festered very much during those years. They received a lot of lip service, but precious little action.

After dwelling on that red herring, the previous speaker went on to make some comments about confrontation with the provinces. With regard to that matter I ask him to look particularly at his own province—which is mine as well—and look at the actions of the Blakeney provincial administration. That is getting pretty close to home for both of us. In relations with Saskatchewan I suggest that if there is confrontation in our federal-provincial dealings, it begins with Mr. Blakeney.

Some hon. Members: Oh, oh!

Mr. Goodale: Hon. members opposite laugh, but it is interesting to note that the Conservatives in Saskatchewan seem to approve of the Blakeney brand of politics. Let us consider the present provincial Conservative leader, Mr. Collver. He avoids confrontation, all right; he capitulates.

The potash controversy in Saskatchewan has been a very important subject to people there for many months. The provincial government proposes to nationalize that very important industry. The Conservative party there avoided confrontation with Mr. Blakeney's government; it did literally nothing in the legislature or outside the legislature to prevent the passage of legislation in the province of Saskatchewan which would, in effect, nationalize this particular resource industry in western

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Canada. The Tory formula for avoiding confrontation is capitulation, and I do not think anyone in this country would adopt that philosophy, let alone anyone from western Canada. So much for the hon. member's rather unworthy abuse heaped upon this administration! It simply cannot be supported by the facts.

If hon. members want to consider some real facts about western alienation and about the effective efforts which have been made and continue to be made to satisfy the legitimate aspirations of westerners, I ask hon. members to think of an industry in western Canada which is fundamental to our way of life, fundamental to our economy and fundamental to our economic health. I refer to the grains industry of western Canada. It can be examined and seen as a useful, constructive, and positive example of what federalism in this country can achieve for a region such as western Canada.

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As I say, nothing can be more fundamental to western aspirations and western well-being than a healthy and vibrant grains economy. You do not have to go back too far in the history of this country, only to the late 1960's, to find a period of time in western Canada when the grains economy was in real trouble, not in trouble because of any fault of the farmers in the west. They were doing what they do better than anyone else anywhere in the world, that is, to produce top quality grains and oil seeds. The problem was in marketing and in grain prices around the world. We found prices that were skidding steadily downward, and grain markets that were getting tighter and tighter. At that time the government of Canada began to respond with a series of important initiatives which have continued over the last six or seven years and which have led to a remarkable improvement in the health and the prospects for continued health for the grains industry in western Canada.

We can think, first of all, of such things as expanded credit facilities and long-term government guarantees for the Canadian Wheat Board to assist in the pursuit of new markets. We can think of such things, for example, as vigorous Canadian efforts to break into the world's barley markets where we had never seriously been before 1970. I would mention as well the annual commitment of \$10 million toward a new market development fund to enhance our grain marketing opportunities.

New research facilities have been added through the Canada Department of Agriculture, a new crop science division at the University of Saskatchewan in Saskatoon, and a protein-oil-starch pilot plant in Saskatoon to help find new ways of processing our grains and oil seeds. We have seen also the development of a two-price wheat program. For 25 years the great clarion call of every prairie politician and every major western farm organization was a demand that the federal government implement a two-price program for western wheat. That program was in fact developed by the present minister responsible for the Canadian Wheat Board (Mr. Lang) and by this government, and for the past five years it