Consequently, if the market is going to respond, then those prices should have been a lot higher than they are right now. The farmers should never have been forced into the position they are.

Let us recall some witnesses we had before the agriculture committee of this House last spring. It has been further documented since that time that the Chicago Board of Trade is being influenced by very large infusions of money and by very large corporations.

Two or three years ago, 68 people were indicted in that Chicago Board of Trade. Eight of those immediately pleaded guilty. We recall last summer, the last Friday of July and the last Monday of July, when the price of barley at the Winnipeg Grain Exchange dropped to the limit on those two consecutive trading days.

There is a lot of speculation of what has happened, but I just have to suggest that perhaps the ongoing investigation for several years has more work ahead of it.

The market system is not responding to supplies, and yet the farmers are being forced to accept lower prices as the supplies fall into fewer hands in the grain trading nations. The U.S. Acreage Set Aside Program also has an impact on prices because they start out in the early part of the year and establish their various target prices for the farmers, and that is referring to the $4.60 pay-out which I mentioned earlier.

They also calculate what they think the market price will be. Then of course the difference between their calculated market price and their target price is their deficiency payment. So why would any grain company pay more than what the forecast market price is going to be?

Of course on top of that we have the Export Enhancement Programs that are having a direct influence and we saw that at various times last year and again this year when the U.S. export enhancement payments ranged from $19 per tonne up to $52 this year. If you figure that back to the farm gate, in Canadian terms, it works out to about $27 per tonne for our wheat at the farm gate.

The marketplace is not working. It is not reflecting the world supplies. Neither is it reflecting the free marketplace system.

I would have to suggest that while this bill will go a long way to resolving a problem if these low prices continue—and we have no evidence at this point that they will not continue—there is going to be a terrible financial burden placed, not only on the shoulders of the farmers of this nation, but also on both levels of government.

There is no substitute for getting your returns from the marketplace. The farmers' returns which I quoted earlier for a loaf of bread, which costs approximately $1, are very low from that, and of course the other items I mentioned are equally as important.

I look at what is happening on those world markets and I have to quote from a publication from the state of Michigan which I picked up two weeks ago. It reads: "The current local farm price for corn has been about $2.23 a bushel. The release price for corn in the farmer owned reserve is $3.25 per bushel. The Secretary of Agriculture could keep this corn off the market until the market price reaches $3.25."

You would think he would at least hold it until the market price reaches $2.75 a bushel. However, it is being released on to the marketplace at the present time to further depress our markets here in Canada. A lot of that is Commodity Credit Corporation corn that may be several years old and which is coming into our markets to be blended with higher quality corn and having a disastrous price impact on our own markets.

The prices have edged up a little bit the last week or so, but were off a bit yesterday.

So it does not reflect at all what is happening in the marketplace. It is interesting that when the U.S. released, or sold, an additional 1.5 million tonnes to China on the export enhancement program, they paid their export enhancement subsidies in the form of other commodities. This is a real sweetheart deal for the big grain companies because these subsidies are charged to farm programs and the cost is paid by the farmers.

How does it work? A net exporter sells grain to a foreign market and the export enhancement programs allow the grain exporter to capture the sale by offering grain at or below the world market price and the subsidy will cover the difference between what the exporter paid for grain and the sale price, plus his profit margin.