

Pool, seem to favour the six major grains being brought under the jurisdiction of the Canadian Wheat Board. On the other hand, Mr. Walter Nelson, President of the Palliser Wheat Growers Association, an organization in the middle of our Saskatchewan pool area, takes a dim view of rye, flax and rapeseed being brought under the Board. He states that it would be a discouraging step in the wrong direction.

I must say that many farmers feel these are special cash crops over which they should have control in order to supplement their other annual income from time to time. Personally, I believe the government is in a bind on this issue since, because of its proposed grain stabilization policy, it may feel it is necessary to force the farmers, one and all, to place these grains under the Canadian Wheat Board for administration of the stabilization program if for no other reason. As I suggested earlier, I feel this issue should be settled by a plebiscite. There are many more comments I could make in respect of this bill but I am sure there are other western members, and my colleagues in particular, who will want an opportunity to discuss this piece of legislation in the House before it goes to the committee.

**Mr. A. P. Gleave (Saskatoon-Biggar):** Mr. Speaker, I think some of the things proposed in this bill are of a routine or housekeeping nature. For example, there are the changes in grades to accommodate the new procedures which are made possible under the new grains act, if that is the right term and I believe it is. These changes would make it possible to put in place a pricing mechanism which would fit in with the new grading procedures under the new act. Of course, this was to be expected.

● (3:30 p.m.)

I should like to say to the minister, through you, Mr. Speaker, that I am glad he is proceeding expeditiously in this regard so that maximum advantage may be attained. I think we will have to wait and see how the new pricing system, the opportunity to be more flexible, will work out. I do not think we can say at this point whether this will be a bad or a good thing. This has been done to some extent in that we have changed the initial price of a particular grain in mid-year to fit circumstances which were not foreseen at the beginning of the year. If the flexibility helps us to sell and reflects fairly the value of the grain, then surely that is the objective of the pricing system, whether it is operated by the Wheat Board or by the Winnipeg Grain Exchange. The yardstick by which you measure such an operation is how effectively it works and how fairly it reflects the demands that exist within the market to which we have access.

We will have to wait and see how the changes in the quota system work. I can foresee some difficulties when farmers try to adjust to this new system, when they try to decide in the spring what they will deliver, and when they try to establish the base upon which they will deliver during a full crop year. There might be some difficulty and some hardship, unless at some point in time the farmer can review his position. If the crop does not turn out as he expected, he will have to try to adjust to

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the circumstances in which he finds himself. Sooner or later, that fact will have to be recognized under the new quota system.

The extension of the crop year is a possibility which should be considered; in fact, it has been done before officially. In this way, the needs will be recognized. I hope we can attain the objectives which we have set for ourselves in this regard. Again, this bill will permit us to do what has to be done. A really difficult provision is the one regarding penalties under the Wheat Board Act and the manner in which those penalties are assessed. There is no question that if we are to have a quota system under the Wheat Board, this system must be observed because if it is not observed by the total community it will not work. If enough people break the rules and refuse to abide by them, we will have to go back to the old catch as catch can system and we will find ourselves running around with a truckload of grain from one elevator to another. If we do so, we will spend as much time trying to deliver grain as we spend on planting, which would be an unfortunate situation. I think that the penalties proposed by the minister are designed to forestall this possibility. I do not think any of us want to see them applied too severely, but again I say that we must do the job that must be done.

The bill also provides for the inclusion of flax, rye and rapeseed, but I do not know at what point in time. The minister is very ambivalent in this respect. He says in one breath that he will do it and in the next breath that perhaps we had better wait a bit and think that over. Perhaps some of the discussions which he had in Winnipeg with officials of the trade may have had some effect on his attitude. In the last press release the Minister issued in May, he stated:

There have been producer representations made on this subject and it was for this reason that the enabling clause was included in the amendment to the act.

But he also said:

But I repeat, the government has no immediate plan to change the marketing system for these grains. And I assure producers that before any such change is contemplated there will be thorough discussions with everyone involved.

I wonder what effect the minister thinks the stabilization program will have on the income of the individual farmer when a large part of his income will actually not be taken into account in the Wheat Board figures. One can see that this plan might work, although rather badly, when wheat, oats and barley are included, since these crops are pooled and since every farmer is going to receive the same price during the crop year. However, this situation will not necessarily apply to other major grains such as flax and rapeseed. In fact, the probability is that there will be a wide difference in what each producer receives. I, personally, have seen the price of flax fluctuate \$1 a bushel between September and January or October and November of a given year. Rapeseed moves in the same fashion. As a matter of fact, the Vancouver future price moved between \$3.41 a bushel and \$2.87½ a bushel between April 1 and April 2 of this year. The minister has never quite explained to the House how equity will be established under the stabiliza-