

this subsidy amounts to more than \$60 million. Certainly to this date the Canadian farmer has already subsidized the Canadian consumer, on the wheat consumed in Canada, by 50 cents a bushel.

The basic purpose of this legislation is to lower food costs to the consumer, not necessarily to protect the farmer. During the committee study the minister admitted that as the price of wheat went up, the government introduced a freeze because it was afraid that the price would go too high. The price did go too high, but since the price was frozen the consumers were saved from paying that high price.

The hon. member for Regina-Lake Centre is quite right in suggesting that under Bill C-19 there is only one floor. There is a suggested floor price for Durum wheat, though \$3.25 is basically the floor price for both wheats. The point I want to make is that the government is saying that so long as the price of Durum wheat stays above \$5.75, this is what we will charge Canadian millers; but as soon as it goes below \$5.75 on the international market, down will go this supposed floor to the Canadian farmer, to \$3.25. So what we have here for one particular brand of wheat is a floating floor; as long as the international price is well above \$5.75, the floor will not go down.

The minister says that we can rest assured that the floor of \$3.25 will be guaranteed for a seven-year period. It does not seem to be such a great guarantee for the Durum wheat producer, so why should our farmers believe it is a floor for hard spring wheat producers when the real purpose of the bill is to lower the cost to the consumer? The purpose of the bill is not to bring about a base price for wheat so as to encourage farmers to continue to produce and to meet their cost of production; the purpose is to lower food costs.

If the price of wheat goes below \$3.25 on the international market, it would be both folly and negligence on Mrs. Plumptre's part if she did not complain long and loud that the Canadian consumer was paying too much for bread. She has been a rather effective voice. All of a sudden the Minister of Justice might find himself occupied solely with the law as his arm of responsibility because he has neglected to protect the Canadian farmer through this deal that he suggests the bill establishes.

The minister has suggested that \$3.25 is a good price, that it is above cost of production. When someone talks about a certain price being above cost of production in today's world, the immediate question that comes to mind is, when? Was it above cost of production yesterday, the day before yesterday, or a year ago? Will it be above cost of production tomorrow, the day after tomorrow, two years from now, or at the end of this seven-year period? Any member of this House who would guarantee that \$3.25 will be above cost of production at the end of the seven-year period referred to in this bill would be quite foolish. When anyone tried to forecast the weather in my part of the country, they were described as being either a fool or a stranger. No member should be a stranger in this House now, particularly when dealing with the subject of wheat. No member should be a stranger in the House, particularly when dealing with the subject of inflation and the way goods have risen in price during the past year.

#### *Wheat Payments*

Many members who have spoken in this debate have laid stress on the rapid rise in cost of production due to cost of fertilizer, wheat sprays, farm labour and farm machinery. Some increases have been as much as 300 per cent during the past year. If this state of affairs continues, although \$3.25 a bushel may have been above cost of production this year or last year, it may not be above the cost of production in the years ahead. I can see problems ahead for Canadian farmers in terms of increased costs over and above those that have already taken place for such things as fertilizer, crop sprays, labour, machinery, twine, and so on.

What else lies ahead for the farmer in the line of increased costs? If one listens carefully to what the minister in charge of the Canadian Wheat Board is saying across the country, one can well see increased trucking costs ahead for Canadian farmers in getting their wheat to Canadian millers. I do not know how many members of this House have ever trucked grain, but it is a heavy commodity, rather stable on the truck but pretty rough on tires if you truck it any distance at all, particularly in the summertime when the tires tend to get hot. There is an increase in cost which may well be ahead if the Minister of Justice (Mr. Lang) has his way.

I can see other increases in costs ahead, too. The producer will require greater and greater capitalization. There is no doubt that if you have to truck grain greater distances, you are going to require bigger trucks. You have to buy bigger machinery all the way along in order to make farming worth while. If you are going to truck your grain 100 miles, you are not going to farm only 100 acres but 1,000 acres, to make it worth while. Therefore, the farmers will have to find huge amounts of capital in the years ahead, whether I like it, whether the Minister of Justice likes it, or whether anybody else likes it—and this will add to the cost of production.

These are increases that I see occurring during the seven-year period referred to in the legislation, and the \$3.25 guaranteed floor will not cover those increases at all. The minister may say, "Yes, but the farmers are getting \$5". They are getting that \$5 now, though they should be getting a lot more. They should be getting \$6. If the government wants to lower the price of wheat to the consumer and to keep inflation in check, then that is a political decision. That they are entitled to make. If they want to lower the price of bread, that very stable commodity, that is their prerogative. But why make the farmer subsidize the consumer to the extent of 50 cents a bushel? Right now, he is subsidizing consumers to the extent of about \$1 a bushel. Why not take up the whole difference and say we will apply everything above the \$3.25 figure to the Canadian producer?

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The minister said in committee that the government was giving a guarantee in the event that wheat goes below that price. Any farmer today who puts any faith in that guarantee is either a fool or a stranger—and not one western farmer can be placed in either of those categories. They do not believe in governments, and they do not trust this government in particular. Therefore, they will have no faith at all in the \$3.25 floor.