

Grain

Mr. Woolliams: I notice the gold dust twins don't agree with you.

Mr. Pepin: In business you have to take calculated risks, and take the consequences.

An hon. Member: In what kind of businesses?

Mr. Pepin: In all businesses, including politics.

Some hon. Members: Hear, hear.

Mr. Pepin: What was done by the government is well known. As soon as it became evident that a crisis had developed in western Canada after the harvest last fall, the Wheat Board announced an advance delivery quota of three bushels per specified acre. This allowed for a quick movement of high moisture grains to terminals, and allowed dryers to begin operating at capacity.

I still remember the charming voice of the hon. member for Calgary North (Mr. Woolliams) shouting across the floor, "Get the wheat to the dryers." And I still remember the hon. member for Crowfoot (Mr. Horner) shouting to me, "Go out and sell, sell, sell wheat." That is exactly what was done. I am not blaming hon. members for their attitude. The government has supported the actions of the Wheat Board in what has been done. The right steps have been taken. I am not condemning hon. members for having shouted their advice to me. They were right to do so. The risk the Board took was a calculated one. That is all there is to it and there is nothing wrong with it. But when you take risks you also take the consequences.

The grain industry set up a committee in Winnipeg to co-ordinate the movement of high moisture grain.

Mr. Horner: How long ago was that?

Mr. Pepin: At the beginning of this situation, in the fall. I am talking about the Winnipeg Transport Committee and not about the committee set up in Vancouver, which is more recent. No doubt hon. members on the other side of the house consider they have revelations from God himself which enables them to anticipate history. My memory is good and I can remember hon. members on the other side of the house telling us to subsidize wheat left in the field. They knew it would not even be harvested.

At any rate, the transportation committee was created. Terminals and railways were given targets to achieve on a weekly basis.

Each week these targets were reviewed and where short falls occurred the reasons for those short falls were and are examined. When a short fall is due to controllable circumstances corrective action is immediately taken. On November 26, when the Wheat Board held its press conference, the farmers were told the situation was difficult and that they would have to dry a lot of their own grain. Full investigations were made into the possibility of utilizing additional facilities, such as the terminals at Duluth and dryers in southern Ontario. That investigation disclosed that costs of using such facilities would be far higher than the costs incurred in drying grain on farms.

A subcommittee of the main committee in Vancouver was created in Vancouver under the chairmanship of the Vancouver manager of the Wheat Board to do the same work as the committee in Winnipeg was doing. I think the Minister without Portfolio (Mr. Lang) will explain what was done.

Mr. Baldwin: Yes. You raised interest rates.

Mr. Pepin: He will explain what was done in order to make available to farmers interest free cash advances so that they would not be financially handicapped when attempting to dry their own wheat. In addition, the duty of 15 per cent on imported stationary dryers was remitted; income tax regulations were amended to provide accelerated depreciation allowances for farm grain storage facilities and grain drying equipment; the government waived the provisions of the labour code to allow for 24 hour a day, seven day a week terminal drying, and at the moment all terminals are operating seven days a week 24 hours a day. I could go on listing what we did.

Mr. Baldwin: And do not forget what you are going to do about estate taxes.

Mr. Pepin: But we are being accused of doing nothing. The motion says in part, "the minister...refused to take action." We have been taking action all along.

Mr. Woolliams: Some action.

Mr. Pepin: I now want to talk about the sale of wheat to Japan. As I have mentioned in the house on a number of occasions, the House of Commons is not a market place and it is not in the interest of producers to discuss individual sales transactions.

Mr. Woolliams: How did the transaction we are considering go wrong?