

● (1550)

One of the benefits of this bill is that it will allow for the governor in council to set up a pool primarily of malting barley. There has been a great discrepancy in the past year with relation to grades in malting barley and it has caused confusion among producers. It was not fair for those who had No. 3CW to receive 80 cents more than the person who had No. 1 Feed. We all realize that the margin was very narrow—perhaps a half pound per bushel differential between one grade and another. This has caused a problem for a lot of producers, some of whom lose \$2,000 on a carload of barley. This is not fair. This protection is one of the good aspects of the bill.

If the bill had gone further and given more control to the advisory board I could certainly have given it my full support. As it is I feel the governor in council is retaining too much control and that the Canadian Wheat Board is still open to manipulation by either the minister in charge of the Canadian Wheat Board or the Minister of Agriculture (Mr. Whelan).

Just this week the Minister of Agriculture was in Red Deer, and I should like to read a little bit of the speech he made there.

**An hon. Member:** Where is that?

**Mr. Towers:** Red Deer is in the very heart of Alberta—far western Canada. It is the heart. Here is a portion of the speech made by the Minister of Agriculture:

Another federal policy with implication for Alberta hog producers is the domestic feed grain policy. We announced some changes in this policy three weeks ago.

When the minister said “we” I presume he was referring to the announcement made in this House by himself and the minister in charge of the Canadian Wheat Board. He went on:

Effective August 1, the Canadian Wheat Board will be offering feed grains at corn-competitive prices worked back from Montreal. And, feed freight assistance is being reduced or eliminated to British Columbia, Ontario and western Quebec.

When the Minister of Agriculture and the minister in charge of the Canadian Wheat Board made this announcement they said it was going to do away with the inequity that existed between feeding in eastern Canada and western Canada. Feeders in western Canada are now beginning to realize that such is not the case. This is not working out that way, and we on this side of the House said at the time that it would not work. What is happening is that western grain producers are going to receive 50 cents per bushel less for the grain that goes to the eastern market; yet it is not going to make the grain any cheaper to the western feeder—not a penny.

I would be prepared to debate this issue with the hon. member for Assiniboia or either minister on the figures available, because we have worked it out. Mr. Turner, the President of the Saskatchewan Wheat Pool, agrees that the only thing it is going to do is give western grain producers 50 cents per bushel less for the grain that is fed to the eastern market.

I feel that unless a great deal of caution is exercised there is danger that the Canadian Wheat Board could become an agency of provision rather than a selling

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agency. If it is going to serve its purpose in the best interests of the producer, those people who are commissioners and those who are members of the advisory committee must have complete freedom.

I really have no quarrel with western grain filling the requirements of the eastern feeder—not at all. I realize and recognize the value of the feeding industry in Canada; nevertheless I have a concern that the advisory committee of the Canadian Wheat Board as well as the commissioners could hamstring this policy which has been announced by the Minister of Agriculture and the minister in charge of the Canadian Wheat Board because it is tied to corn. The price of western grain is tied to corn f.o.b. Montreal.

I have no quarrel whatsoever with the element of competition, but if eastern feeders can buy United States corn from Chicago cheaper than they can buy western grain—at less money than the western producer can get if he ships it to the west coast or through the port of Churchill—I have to question the economics of it. It is not taking anything away from the eastern feeder as long as his requirements are met, but I do not see why we should throw money down the drain to fill a market that could adequately be filled from some other source.

I am sure the minister in charge of the Canadian Wheat Board recognizes that you can put corn on the Montreal market cheaper and with less freight involved than that which comes from western Canada. It takes \$11 a ton to move it from Thunder Bay to Montreal, but only \$9 a ton from Toledo to Montreal, and that adds up to a lot of money.

Another thing we have to deal with is the St. Lawrence Seaway charges. There is no doubt that the St. Lawrence Seaway is going to try to increase those charges. At the present time the Canadian taxpayer is picking up those charges that were created by the movement of freight—not necessarily grain but also ore and all other freight that goes through the system. If the total cost were charged to the grain, instead of paying one and a half cents per bushel for Seaway charges alone, we would be paying five cents per bushel. That is just the lock charges and not the freight charges because the latter run at 27 cents a bushel. However, an increase would be required to compensate for the differential.

I feel therefore that much greater consideration should be given to the advisory committee and that their terms of reference should be enlarged. I think they could have a greater input into the operation of the Canadian Wheat Board than can the minister in charge of the Canadian Wheat Board or the governor in council. After all, that is the reason they are elected. They have the confidence of the producers and this is their sole purpose in being there. It is not so with the minister in charge of the Canadian Wheat Board because he operates in a dual capacity. As Minister of Transport he is trying to do away with the Crowsnest freight rates which the grain producers want to retain. No minister can serve two parties, and I am sure he would be the first to realize that.

The other day I tried to find out from the minister what he meant when he spoke of doing away with the Crowsnest freight rates—what he meant by “some other way”. He relied on a speech he made in Edmonton a year and a half ago. Actually he is just living in the past. He has had