

one of the strongest commitments to agriculture that I have ever heard in a Speech from the Throne. We will work closely with the provinces and producers to ensure that the assistance offered by the federal Government is truly helpful and will enhance the cash flow of Canadian farmers. The assistance offered by the Prime Minister will amount to \$1 billion. The Government will participate in the changing of agricultural programs.

Several weeks ago the Minister of State responsible for the Wheat Board signed an agreement with the Soviet Union whereby it will buy 25 million tonnes of wheat and feed grain over the next five years. The Soviet Union is a very important customer of Canada. I am very pleased that it will continue to buy grain from us and count on us to deliver quality grain at a fair price. In the past two years we have reached agreements with other valued customers including Egypt and Brazil. Canada has a fine reputation on the world market for efficiency, reliability and quality. This has allowed us to find markets for grain even in a world situation of substantial surplus.

The figures recently released by the International Wheat Council indicate that world-wide volumes of wheat and flour trade dropped by 17 per cent over the 1985-86 crop year. However, at the same time Canada was able to increase its market share by 1.3 per cent. We were able to solve the work stoppage earlier this year at the port of Thunder Bay through negotiations. The people at the port have returned to work and moved a record amount of grain over the Thanksgiving weekend. Approximately 700,000 tonnes were moved through that port during the Thanksgiving weekend. It is a fabulous record and farmers are truly happy that labour in the port of Thunder Bay is responding to a difficult situation. I believe they will catch up to any lost transportation which resulted from the strike and that we will not lose any sales because of this temporary stoppage of grain movement.

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These instances of productivity and efficiency in the grain industry must not go unrewarded. Indeed, the Government is committed to seeing that the exact opposite occurs. The negotiations on the world scene and here at home that I have described are several of the ways that we can support our farmers in this time of depressed world markets and prices.

The Prairie Grain Advance Payments Act has worked in the past and it will work even better in the future as a result of these changes.

Many of us who are knowledgeable about agriculture believe that there may be ways to rebuild these programs so that they can be more advantageous to our farmers.

Some years ago I put forward a program that I called the assured market plan, which would have taken the moneys under this program of advanced payments and those of the stabilization Act and put them into a plan by which the Wheat Board would pay farmers at the beginning of the crop year to commit a certain amount of production to the Wheat Board.

Prairie Grain Advance Payments Act

This contract would allow the Wheat Board to call upon them throughout the year as supply or demand required. This would allow things like unit trains to develop and permit a change in the quota program which is now so important to western farmers.

The Wheat Board and the Wheat Board advisers took that plan and came up with something called MAP. It was not acceptable to western farmers and the Market Assured Plan has slipped by the wayside.

However, I believe a similar if not better plan is being developed. The Wheat Board is now offering contracts to western farmers who produce No. 1 and No. 2 feed barley and oats because in 1984 there was a poor barley crop and concern throughout the Prairies that there would not be sufficient supplies to meet the kinds of markets that the Wheat Board could develop for export feed grains. Consequently, since we were worried about supply, I think we lost some early sales which could have been made.

In June, 1985, the Board had an open quota and found that there was a lot of barley in the system. Toward the end of the crop year, it had trouble finding sufficient sales to move the vast quantity of barley that was stored on prairie farms by farmers who were optimistic about receiving a better price. If the Board had known about those supplies sooner in the crop year, export markets could have been found for that barley, and at better prices. There is a problem in conveying the information about what is in the bins on the farms to the Wheat Pools and the Wheat Board so they can sell it into markets that they know are available. This is one reason why this year the Wheat Board is attempting to contract for barley early in the crop year so it will know what is in place and can make proper plans to move it to export positions.

I think it is important to explain this program so that some of the concerns that are being expressed by the community can be laid to rest. For instance, if a farmer does not take out a contract, will the contract barley be called upon before the quota barley, and will that farmer have to wait to deliver his supplies until all contract supplies are in place? Not only is that not the case, the opposite could be true. If the Wheat Board knew that it had signed for this contract barley, it might open the quotas to try to bring in new supplies early to determine what other supplies are on the Prairies and thus better gauge their export markets.

The livestock community also showed some concern that if too many producers sign up for contracts, they may bid up the price of off-board grain. I do not believe that will happen. I am sure that if the Wheat Board detects this, it will decrease the amount of bushels of grain under contract to make sure that adequate supplies are available to the domestic market. It is not necessary to contract in order to ensure that delivery opportunities are available. There is still freedom in the system and I personally hope that that freedom continues.

Let me use oats as an example. While there are fewer markets for feed oats, it is still an important crop in the