

produced by practically every country in the world, is possible. Such agreements deal only with a small surplus of the total production.

A further problem is how we are going to be paid for our grain by the purchasing countries. For instance, how is Great Britain going to pay for her purchases? We have agreed to sell to her for the coming year 140 million bushels at \$2.00. True, in passing the estimates the United States Senate did not say that the administration could not buy wheat; but as I read the newspapers it is plain that they will not buy Canadian wheat if there is an American surplus. I do not see how we can expect them to buy our wheat, or guarantee the price, which is the same thing.

On the question of exchange, I have advocated that world exchange should find its own level. But both houses of parliament in Canada have decided otherwise. The real problem is what kind of currency will certain of these buying countries use to pay for wheat. For instance, Great Britain's contract is for about 177 million bushels, but how are we going to enforce that contract, say, in the year 1951-52? If that country has no gold or American currency, and we do not buy her goods, what good is the contract? Some people may proudly point to the fact that certain countries got together and reached an agreement. That is a fine thing, but when that type of idealism runs wild it only leads to bitter disappointment.

I intend to vote for this agreement, because I do not want it to be said that anyone in Canada attempted to defeat what looked like a stabilization of the marketing of wheat. Farmers in the West, and I assume elsewhere in Canada, have been calling for stabilization. Of course in the last four years stabilization has been easy. You could stabilize the price of wheat at \$1.55 in 1946 when it was selling on the world market at \$2.44, and in 1947, when the world price was \$2.88. There is no difficulty about establishing a price of \$2 this year, since the world price since the beginning of the season has been above that figure. When any commodity is selling on the world market at the higher price, it is easy to fix the selling price at a lower figure. But what happens when the world price is below the stabilized price? The government is expected to come through with the necessary cash. But will any government come through with the cash? Our House of Commons comprises fifty-three members from the Prairie Provinces and two hundred and nine from the rest of Canada. Will the two hundred and nine consent to vote sufficient money to stabilize the price to prairie wheat growers, who are represented by only fifty-three members? They will not if human nature remains

as it is now. It may change some time in the future, but not in the lifetime of the present generation.

I am frank to state that if we depend upon this agreement we shall be very disappointed. As long as the shortage of grain continues, importing nations will be willing to take it; but as soon as a surplus is available, the moment Russia moves into the market—and move she will—the position of exporting countries will be seriously affected. Russia will enter the exporting market for two reasons: first, because she has grain to sell, and second, principally, because her desire is to create chaos in the world's markets—and she may succeed in this. Argentina also will seek to export, not to upset the general equilibrium, but on account of necessity. She cannot go on holding up the world price, as she has been doing in the last three or four years, especially against Great Britain. Australia, too, has been trying to maintain a high price in the world market, and has obtained \$2.72 per bushel. Of course this policy will ultimately fail, as ours did, in 1929 and 1930 when Canada tried to sustain a fixed price on a competitive market and those who held wheat suffered tremendous losses.

I am not going to vote against the agreement, but I am voting for it with my eyes wide open; I do not expect any benefits from it at all.

Hon. T. A. Crerar: Like my honourable friend the leader of the opposition (Hon. Mr. Haig) I am bound to say that I have a very slight degree of faith in this agreement.

Hon. Mr. Haig: May I apologize to the house and to my honourable friend for interrupting to ask permission to put on the records of the Senate the text of the agreement? I forgot to ask the consent of the government leader, but I think the documents should be so dealt with, and with his consent I will hand a copy to our reporters so that those reading *Hansard* will know what it is about.

Hon. Mr. Copp: The whole agreement?

Hon. Mr. Haig: The entire agreement, as already published in the *Votes and Proceedings* of the House of Commons. Is that agreed to?

Hon. Mr. Copp: Yes.

Hon. Senators: Agreed.

(See appendix at end of today's proceedings.)

Hon. Mr. Crerar: Now, honourable senators, after that interlude—and I concur in the suggestion of the leader of the opposition—may I repeat that, like him, I have little faith in