

*Supply—Trade and Commerce*

been given a guarantee in this regard I think he would have mentioned it when he reported to the house a few moments ago.

9. Were any sales made by Canada below the minimum price? We did not hear about that. Is this the reason we lost the Japanese market to the United States? I understand from newspaper reports that we lost two thirds of that market, and if that report is correct it is a big blow. Has Canada told the United States that we are going to embark upon a wheat war? I am not recommending such a step by any means, but I think there should have been some strong talk by Canada on this question.

I appreciate the patience of the minister and the members of the committee on this question, and in conclusion I congratulate the minister for saying that he will bonus the wheat producers for their loss because of the bungling of his government. However, I do not congratulate him on the vacuum which is costing us markets day by day unless he has received some assurance in this regard from the United States, and unless he can produce some answers to the nine questions I have posed which he has heard this afternoon and will appear in *Hansard*.

**Mr. Schreyer:** Mr. Chairman, the Minister of Trade and Commerce always radiates self-assurance and confidence when making announcements to this house or when offering an interpretation of some recent developments in trade talks. But I think that most members of the committee, certainly on this side of the house, have come to learn by experience that sometimes it is a little dangerous to accept the minister's interpretation of what is going on at its face value. It seems that the minister is a victim of his own feeling of overconfidence with respect to many recent developments.

• (4:30 p.m.)

The hon. member for Burnaby-Coquitlam, the hon. member for Bow River and others referred to occasions in this house—they are May 16, May 25 and June 15, to be exact—when the minister, in statements or answers to questions, clearly said that the price of wheat then prevailing in world markets would continue to prevail for the next 12 month period or so, or until the inception of the new agreement. He said that price levels would remain, to the best of his information and judgment, at what they then were,

[Mr. Woolliams.]

around \$2.12 or \$2.13. On page 577 of *Hansard* for May 25 the minister said:

—it is understood in trade terms that this means the new price range which I have reported to the house will be observed in the months ahead until the new agreement becomes fully effective.

Being human, the minister, as everybody else—despite his self confidence—is liable to err. Throughout the summer he had ample opportunity to take remedial action. For some strange, inexplicable reason, he failed to do so until about the middle of September. It was then, we are given to understand, that he went to Washington to talk with the Secretary of Agriculture in an effort, presumably, to persuade that government to change its wheat export sale and pricing policy. Though the minister's effort resulted in relative failure, he ought to be given credit for making the effort. Nevertheless, the effort could have been made sooner.

Throughout July, August and until the first part of this month, the price of Canadian wheat declined in a drastic manner, that is the proper term. The decline was so drastic in fact that a leading spokesman of the wheat producing industry of this country referred to it as being of epic proportions, and certainly worse in cost-price terms than any decline we have experienced in the past two decades.

The minister, by way of announcements and questions answered in the house, gave us to understand that the old wheat agreement would be carried on until the inception of the new agreement next July. Yet, events have shown that the minister's statements were not correct. Yesterday, when questioned by hon. members on this side, the minister sought to qualify his answers. He said that he had been referring only to the instruments of administration with respect to the old wheat agreement being extended, and that he had not meant to say that the agreement itself was being extended. Certainly, the spirit of the agreement has not been extended.

As we now know, after the last agreement ended—even before that—our neighbours to the south pursued a trade policy with respect to wheat that was a violation of the spirit of the old agreement. Certainly, it violated the spirit of any new agreement.

The ink was hardly dry on the agreement protocols that were drawn in Geneva and Rome last April, July or August when the United States pricing policy for wheat became such that wheat prices fell toward the floor agreed on in the new agreement.