

International Wheat Agreement

agreement and relying exclusively on the day to day supply and demand of the world market. When these facts are taken into consideration the producer can readily see that if there were no agreement whatever he would have to compete openly on the world markets.

It is then that this fear we have had for a great many years, and those hard experiences that we had during the thirties, cause us to realize that we could easily price ourselves out of the market. All the representations that have been made in farm magazines, farm newspapers and so on, seem to come back time and again to this argument. This seems to be the primary concern of the producer today. In this type of bidding they would fear most pricing themselves out of the market and then creating a panic in the importing countries, with the result that there would be a further increase in wheat production in those countries as a result of this artificial stimulation. This would reproduce the disastrous results of the thirties.

It is very comforting to realize that even if the United Kingdom does not sign the agreement, a large percentage of the exporting countries were able to sit down and negotiate a set of conditions. All the exporting countries and then a good 65 per cent of the importing countries agreed to the set of conditions, so I think the producers can certainly look to the future with more assurance than if there were no agreement at all. I think the negotiators and the ministers should be highly commended for proceeding with the agreement in spite of the fact that the countries represented were not unanimous. As I say, I think we can face the future with some confidence.

It is true, I think, that we would all welcome United Kingdom into the agreement. It is true also, I think, that in view of the general feeling of the producers in this country, we probably went as far as the producer was willing to go in reducing the price to \$2.05. Furthermore the United States made it clear that they could go no further, so it then became of the utmost importance that we try to keep the United States within the agreement. In other words, it was preferable to have all the exporting countries in the agreement if at all possible.

As I say, we can look to the future with a certain amount of confidence, because even if Great Britain has not signed there is still hope that she might join the agreement later. There is another factor, and that is that at the present time the grain market is still strong. It is the estimate of all the experts, including the chairman of the Canadian wheat board, that they will not have any difficulty

[Mr. Jutras.]

or should not have difficulty in disposing of the crop this year. The chairman of the wheat board was quoted in the *Winnipeg Free Press* of December 6, 1952 as follows:

. . . the board can sell the country's huge wheat stocks whether the international wheat agreement is renewed or not.

Mr. McIvor made the statement to the annual convention of the Saskatchewan farmers' union in reply to a delegate's question. He said he does not know whether the prices would be better or worse if the agreement is not renewed. That would depend on world demand and supply over the next few years.

The point I want to make is that, at least for the moment and for the coming year, the market seems to be fairly strong. There is every hope that we will be in a good position. Personally, I would fear very much if we had to compete openly with the United States, particularly as long as their wheat production was financed through federal aid. We would then be put in a very difficult position. I think that is probably one of the main reasons why the producers as a whole will welcome the agreement, even in this form.

Mr. W. G. Dinsdale (Brandon): Thus far western members exclusively have taken part in this debate this afternoon. I suppose that is inevitable because the measure we are discussing is of extreme importance to the western provinces.

The previous speaker, the hon. member for Provencher (Mr. Jutras), tried to place the issue, I felt, on a partisan basis. As I have listened to the discussion, the conclusion to which I have come is that it is the western viewpoint being presented rather than a partisan viewpoint. Without exception the speakers to whom I have listened have spoken in favour of the principle of the international wheat agreement.

It is unfortunate that we do not get an expression of opinion from other parts of the country, because even though other sections of the country are not directly concerned with the problems that arise from the new international wheat agreement, certainly the whole national economy is very much affected by the terms of that agreement. Wheat is still one of our basic products for export, and as a result it has a very decided influence on what takes place in the general realm of international trade.

I want to speak very briefly, because the topic has been quite thoroughly discussed this afternoon. During the past few months, while the negotiations have been going on, I have discovered that my constituents are very interested in the wheat agreement. Even before the terms were finally announced they were making inquiries and were very much concerned as to what the official terms might be. It is a truism to say that wheat