

Wheat

I hope the government will make this request if they have not already done so.

—discuss with the other contracting party or parties concerned, or with the contracting parties, the possibility of limiting the subsidization.

That is article XVI of the agreement, and I have looked through the whole agreement very carefully and can find nothing which would seem to modify that particular section. This move on the part of the United States makes it obvious that that country is now making a major effort to capture as much of the non-international wheat agreement market as possible without regard for the consequences that are bound to befall other wheat exporting nations, and primarily Canada. I say that this raises a very serious problem for Canada in view of the fact that we are estimated to have 550 million bushels of wheat for export outside the international wheat agreement and in addition to supplies for our domestic consumption. It places us in the position of either trying to compete with the United States, which could only lead to a cutthroat kind of competition, something which I think they and we should wish to avoid, or not being able to sell this great quantity of wheat ourselves in the overseas market.

Of equally grave importance is the fact that such unilateral policies cannot help but undermine the international wheat agreement which, despite its limitations, and I want to make this very clear to the house, in our opinion has been without qualification the most successful means yet devised to give fair treatment to importing and exporting nations alike. So I say that the gravity of the situation as it affects Canada is clear. It has been emphasized by spokesmen for farm organizations and, it is reported in the press, by officials of the Canadian wheat board, all of whom have expressed deep concern over this development in United States policy. A Canadian Press dispatch from Winnipeg dated December 9 reports that officials there state that the Canadian wheat board, which has had little competition in class II wheat sales, will receive "stiff opposition" from the United States.

On November 14, and this has to do with my reference to President Eisenhower in the motion I moved, President Eisenhower informed this parliament that a joint economic and trade committee, consisting of cabinet officers of our two countries, which had already been approved according to the President, would meet periodically to discuss economic and trade problems and the means for their equitable solution. We believe that the time has now come to make use of this joint committee in order to seek redress of

[Mr. Coldwell.]

this unilateral action of the United States in contravening the Geneva agreements of 1947 and threatening the basic security of our great and very important wheat industry upon which so very much of the prosperity of this country depends.

We strongly urge therefore that the Canadian government lose no time in calling for a meeting of this joint committee. I do not want to prolong the debate because there is other business of the house to do, but this matter is very important and I should like to point out that already because of the failure to reach a satisfactory wheat agreement we have seen class II wheat fall quite substantially on the markets since July. I have in my hand at the moment a clipping from today's paper which gives the prices for class II wheat at Winnipeg yesterday to exporting countries outside the international wheat agreement. The quotations are as follows: No. 1 northern \$1.88½; No. 2, \$1.84½; No. 3, \$1.80½; No. 4, \$1.75½.

These are the four milling grades of wheat, and of course the farmer usually has very little of No. 1 northern wheat. This year a great deal of it will go as No. 2 wheat, although I hope more of it this year than usual may go as No. 1 northern. But these are the first four grades, and when you are considering the prices of this wheat you have to remember that you have to deduct 18, 19, 20 or 21 cents a bushel for freight to Fort William. Therefore if we take 20 cents as an average, the price the farmer will get on the farm will be \$1.68 for No. 1 northern of which there is not a great quantity. If we take No. 4 wheat, take off the 20 cents, that sells at Winnipeg at \$1.55. When we get down to \$1.55, we find we are getting very close to the spot at which the raising of wheat for the average farmer, I will not say for the big farmer, is almost impossible financially and therefore uneconomic.

The costs of operation have gone up to such an extent, the prices of machinery have risen, the cost of oil and gasoline and other things which enter into the harvesting of this grain, particularly where you have harvesting by binders as still persists in some parts of western Canada, with the high price of binder twine, so if we are not careful we shall find the returns from wheat are reaching a point where the farmers will be unable to continue operation and make a decent living for themselves and their families. The reason I raise the matter at this time, Mr. Speaker, is that I believe before the house adjourns for the Christmas vacation an opportunity should be given to the minister, and perhaps some other members of the house, of expressing their views.