

action towards the upholding of the way of life to which those nations are dedicated. It is symbolic of an entirely new relationship between the two greatest English speaking countries.

The more we study those agreements, Mr. Speaker, the more obvious it becomes that we are very fortunate indeed in having liberal-minded statesmen, using that word in its broadest sense, of the type and temperament of the present leaders of those two great nations who, together with Mr. Cordell Hull, brought the negotiations to a successful conclusion.

Any remarks along this line might be considered incomplete if they did not contain some reference to the visit to Canada last summer of President Roosevelt. It was a significant illustration of the friendly relations which exist between two of the youngest, but at the same time two of the greatest, exponents of present day democracy. Both countries are wielding, in their own way, a strong, steadying influence in a world that is now torn by hatred and strife.

Speaking of agreements and their probable bearing on the trade of the countries involved, one naturally turns to a review of the achievements of the past, and the review is interesting. Our total imports for the fiscal year ended March 31, 1933, amounted to over \$799,000,000, an increase over the previous year of more than \$117,000,000. This was the largest total since 1931. Turning to our exports, we find an increase of about \$10,500,000 over 1937, and a total of \$1,084,000,000, which was the highest total since 1930, and more than twice as large as the figure for 1933. Or if we consider the increase of trade on a percentage basis, from the standpoint of declared values, using 100 as the key, we have this result:

1932..	70.7
1933..	62.2
1934..	78.4
1935..	89.1
1936..	100
1937..	125
1938..	126.1

If we consider our exports from the standpoint of physical volume, the results will be found to be approximately the same. I submit that in the face of world conditions and the adverse trend in the United States, this result is a wonderful endorsement of the efforts which have been made to develop world trade.

Just here let me say that we are all greatly interested in the negotiations with the West Indies, referred to in the speech from the throne, and we agree with the hope there expressed that a new agreement will be arrived at which will be mutually beneficial to the West Indies and to Canada.

[Mr. Matthews.]

It is cheering to note that in the speech from the throne cognizance is being taken of the wheat situation in Canada. I have the honour to represent a constituency that has been long known as one of the leading wheat producing centres of the west; in fact Brandon is known in many parts of Canada as the wheat city. Our farmers were considerably disappointed last season when the price of wheat was set at 80 cents per bushel, but when the market price started to fall, eventually going below 60 cents, they began to realize that in reality they were receiving a bonus of twenty or more cents per bushel, and the feeling of disappointment gave way to a feeling of appreciation, in that they felt that the other parts of Canada, through their representatives in parliament and the government, were playing fair in this emergency. However, even the price of 80 cents per bushel was of little avail to those upon whose lands the rain did not fall, who through no fault of their own had little or no wheat to sell, or to those who had a little wheat of inferior grade which had to be sold at starvation prices. The fact of the matter is that with production costs as they are to-day, and with the cost of the articles the farmer is compelled to buy twenty-five per cent greater than it was before the war, the farmer cannot raise wheat,—even if he gets the best grade, which seldom happens—pay transportation charges and other costs, and sell that wheat at 80 cents per bushel, or considerably less for the lower grades, and break even or nearly even. It is well known that for many years the grain of the western provinces has been the biggest single factor in our export trade. It is also well known that year after year western purchases of eastern goods have coincided almost exactly with the revenue derived from the western wheat crop. I believe the Dominion Bureau of Statistics is authority for the information that in 1929, a good crop year, western Canada bought from the east goods to the value of 330 million dollars, but that in 1933, with a poor crop and low prices, those purchases were reduced to 80 millions. That is quite a drop.

In view of the difficulties experienced in the growing and marketing of wheat, therefore, I heartily agree with the *Toronto Financial Post*, which said:

One-quarter of our total Canadian population are entirely dependent upon the growing of wheat—another quarter are vitally concerned. Our elevator system, our railways, most of our leading companies, our huge milling and farm machinery industries have been developed on the basis of western wheat growing. Without wheat or a satisfactory substitute, one-half of Canada faces bankruptcy; a main prop is gone from our vital export trade.