

committee. What were the total purchases last year of Germany, of Italy and of France, not singly but together? Those three countries purchased only 26 million bushels of wheat. Countries which once were importers are now exporters. France has been selling her wheat and flour in England and has even landed her denatured wheat in the United States market. As I said in Montreal after coming back from England, Italy has been anxious to supply her own wants and has been able to increase her production of wheat by the utilization of fertilizers obtained through the fixation of nitrogen, by the drainage of swamps and by improving acreage production. These things have taken place and the result is that the great importing countries are no longer importing except to the extent of 26 million bushels. Does the committee realize that only a few short years ago these three countries bought over 200 million bushels of wheat? Does the committee realize that prior to the last two or three years those three countries purchased an average of 95 million bushels? The shrinkage in purchases from an average of 215 million bushels per year to 95 million bushels represented the shrinkage in the purchasing power of these countries by reason of the war and the increased production of wheat through the use of fertilizers and by drainage of lands. During that time Canada sold to France an average of 31 million bushels per year, but last year we sold to France, Germany and Italy only 26 million bushels. There is the answer.

A clear and comprehensive statement could have been made based upon the evidence which was given instead of the utilization of decimals and percentages in an effort to make it appear that Canada had failed in her duty to sell wheat in Great Britain and to take the place of the United States. It was quite clear from the evidence that the sale of wheat in London and the bonus system which prevailed made it impossible for France, Germany or Italy to purchase Canadian wheat. We have been able to sell only 26 million bushels to these three countries which a few years ago purchased 215 million bushels and in later years have averaged as high as 95 million bushels. Those are the facts and those facts resolved themselves into the two statements which I made when I came back from England in 1931 or 1932, I forget which year. I stated that these countries no longer desired to pay a ransom. As I explained long ago in the house, this condition was brought about by the prices charged during the war. At that time there was only one Canadian statesman whom I know of—the

[Mr. Bennett.]

gentleman is now dead—who said to the farmers of western Canada that they should not endeavour to get \$3 per bushel for their wheat as they would feel sorry after the war. There was a shortage of wheat during those years and we were able to get very high prices. The prices went as high as \$3 per bushel but those prices were not obtained by pool operations. They were obtained by the farmers and the grain board of 1919 which fixed prices as high as \$2.65 per bushel and for some grades as high as \$3 per bushel. That fact was known to France, to Germany and to Italy, and in the development of the intense nationalism which has taken place during the last few years this fact has played a great part. We are now faced with an inability to sell wheat upon the markets of the world. These countries have desired to be self-sustaining and self-sufficient and they are no longer on an importing basis. France has been selling her wheat by the millions of bushels in the form of flour and otherwise in Great Britain and the British millers have put themselves on record by saying that because of the competition of French flour and the necessity of their utilizing the 50 million bushels of soft wheat produced under the bonus in Great Britain their ability to buy larger quantities of stronger wheat has been greatly curtailed. In order to compete against French flour they have been forced to buy the cheapest flour possible. That is known to every man who desires to analyse the facts and it will be open to anyone who takes a broad and comprehensive view of the whole situation.

That evidence was before the committee and it considered these matters. Every member had an opportunity to suggest what action should be taken, and the bill which has just been agreed to was based upon the other bill and the suggestions of hon. members in an effort to embody two principles. The first was the price to the producer to be fixed by the board with the approval of the governor in council. In other words, the government of the day must approve of the action taken by the board, ascertain the factors that determine the action they take and arrive at a conclusion. It will be a very difficult conclusion to arrive at and one fraught with grave responsibilities and great implications, but it must be done. The argument with respect to the Argentine was developed during the progress of the examination of witnesses who spoke so highly of the system in use in that country. I thought that if they thought so highly of that system I would put questions to them as to why the same thing should not be done in Canada. The Argentine has a fixed