

Supply—Agriculture

the squeeze of the basic transition in our Canadian economy. There are other solutions than those that have been put forward by the government. One of the basic solutions of the agricultural difficulties in the prairie provinces was outlined by the prime minister of Great Britain during his visit to this country last week end when he emphasized that trade is a two-way street and that if we are going to recover the former position we occupied in the markets of the United Kingdom we must in turn be willing to increase our imports of manufactured goods from that country.

I was glad to note that in a speech in southern Ontario recently the Minister of Agriculture also raised this same question when he suggested that Canada was going to make an earnest attempt to get back into the United Kingdom market. That was the first time there had been any acknowledgment that we had lost the United Kingdom market to any considerable extent. We must have stable export markets for our agricultural products, and certainly the traditional source of stable markets has been the United Kingdom rather than our neighbour to the south. Our farmers are considerably disturbed as they watch with each succeeding year the growing imbalance of trade with our neighbour to the south.

Another solution that has been proposed from time to time to assist the agricultural producer, particularly the prairie agricultural producer, in successfully negotiating the period of transition in our economy has been a demand for parity prices. In fact, I understand that one of the theme songs of the farm organizations on the prairies during recent months has been a parody on the well-known popular song, "Faith, Hope and Charity". The farmers have been singing "Faith, Hope and Parity, that's the way to live successfully." The essence of parity, of course, is to place the farmer in a position where he will enjoy a reasonable level of prosperity in proportion to the extremely high level of prosperity being enjoyed by other segments of the Canadian economy. That of course demands a much firmer price support program than we have enjoyed hitherto in Canada.

At the present time No. 1 northern wheat has an initial price of \$1.40 per bushel, but in some years only a small part of the wheat crop is graded No. 1 Northern, which means that on the average the initial price would be considerably lower than \$1.40 per bushel. If the wheat producer on the prairies, and he is our major agricultural producer, is going to enjoy a reasonable share of the farm income he has to have a much more substantial return for his product in relation to relative

world prices than that which is offered by an initial payment of \$1.40. For example, we have here a little publication produced by United Grain Growers Limited, in which they give up to date figures on the prices of wheat in other countries of the world.

The international wheat trade—

Says this publication.

—has not grown in proportion to population increases in wheat-consuming countries. Practically all of these have been stimulating domestic wheat production by guarantees of high prices to their own farmers. Equivalents of such prices, in U.S. dollars, were recently reported as follows: *Algeria \$2.64; Argentina \$2.72; Austria \$2.63; Belgium \$2.56; Chile \$4.50; Egypt \$2.18; Finland \$3.95; France \$2.64; West Germany \$2.72; Greece \$2.40; Ireland \$2.39; Italy \$3.05; Japan \$2.61; the Netherlands \$1.86; Norway \$3.46; Peru \$1.83; Portugal \$2.85; Spain \$2.73; Sweden \$2.35; Switzerland \$4.19; Turkey \$2.49; Union of South Africa \$2.75; United Kingdom \$2.30; Uruguay \$2.96.

* Extract from South Western Miller, April 12, 1955.

In every case the price for grain produced in those countries is considerably above the price that our western grain producer has been receiving for his production during recent years.

Mr. Studer: How many of those countries are exporting countries?

Mr. Dinsdale: Very few of them are exporting countries. But these figures indicate the inferior economic position in which our prairie farmer finds himself as compared with producers in these other countries. Unfortunately for us, some of these countries have been endeavouring to become more self-sustaining in grain. For example, France has been exporting during recent years, and even India and Pakistan are in a much more favourable position so far as the production of wheat is concerned.

I therefore think there is a real need for a complete re-examination of our price support program in Canada at the present time. It may be, as has been suggested by many hon. members who have spoken, that the present phase through which we are passing is merely temporary and that within a year or so the prairie grain producer will find himself in a much more favourable competitive position in our Canadian economy. But as the result of radical changes in technology and of a more businesslike approach to the matter of grain production, it seems to me that we are in for continuing surplus production down through the years; and until we have a large enough population on the prairies and introduce other phases of industrial activity there so as to build up a more stable internal economy, it seems to me the farmer is going to need considerable assistance from the federal government.