

Hon. R. B. Horner: Honourable senators, on the occasion of the negotiations which took place in New York with respect to the former wheat agreement, Great Britain for the first time refrained from entering into the agreement. She held out for a maximum price of \$2 a bushel. Everyone believed at that time that she would have signed the agreement if her proposal of \$2 a bushel had been accepted. I recall having met in the hotel the head of the Saskatchewan Wheat Pool on his return from New York, where he had been sitting in on the negotiations, and I said to him, "You are going to have to accept the \$2 in order to bring Britain in". He replied, "Oh, no, we will get our \$2.05". I expressed the view that he would not get it, and I begged him to accept the lower price. At about that time I rose in this chamber and said that I hoped Canada would not let 5 cents a bushel stand in the way of concluding an agreement with Great Britain. As we all know now, it was decided to hold out for \$2.05, and Britain did not sign. I have always been told, and I believe it is the fact, that had we met Britain's price she would have signed the former agreement, and would have no doubt joined in this one too.

The honourable senator who moved this resolution (Hon. Mr. MacKinnon) is quite right when he says that an agreement of this kind between the exporting countries is all to the good. We in western Canada feel that it has a stabilizing effect on our economy.

The honourable senator also said, and I think it has been reiterated by the Minister of Trade and Commerce, that we are selling wheat right along to Great Britain for just as good a price as if she were under contract.

I think it should be said that western Canada produces the best quality wheat in the world, and many of the other countries must have a certain amount of our good wheat to mix with their product. For that reason we are fortunate, when we escape damage to our crop, in producing the best wheat in the world.

Dealing with the general wheat question, I have read some statements about the distribution of box cars which alarmed me considerably. We are told through the press that the number of box cars available limits the shipment of wheat through Churchill to 17 million bushels. That statement was to some extent endorsed by the minister himself. Now, honourable senators, that is an entirely improper supposition. I have never felt that Churchill was being used to the extent it might be used. But, as I have said before in this chamber, there is a great variation from season to season. Every farmer knows that you cannot set any limit to the

length of a season. For instance, spring may be early or it may be late. So with the fall. There is the same uncertainty as to the length of the annual period of operation of the port of Churchill, and it is on forecasts of the navigation season that insurance rates are based. Insurance is really the main factor that makes it possible to ship wheat through Churchill at certain times; no wheat can be shipped through that port unless the insurance rates are reasonable.

This year the end of the navigation season has been extended five days. There are some seasons when shipping can be carried on with perfect safety well past the normal time of closing the port for the winter. Ice conditions are a criterion in opening and closing the port. But now we have ships equipped with modern radar devices, and planes and helicopters can be used in the charting of navigation conditions. So I believe that, with the help of an efficient ice-breaker, the port of Churchill could and kept open for five months of the year and possibly even for the entire year. I understand that the number of icebergs floating around in the strait is declining year by year, but in any event the strait can be navigated even when ice floes are there.

It is interesting to know that a group of British millers who travelled across Canada a year ago said they preferred wheat which came to them through the port of Churchill to any other wheat. They said it was better wheat and cost them much less.

I may have mentioned this before, but it will bear repeating. The man in charge of the elevators and machinery at the port told me they were equipped to handle 10 million bushels in their storage elevators. They have machinery to unload four cars of grain at once, and the loading facilities, the harbour, and the sheds are among the finest in the world. The first elevator that was built had a capacity of only 2½ million bushels, but during the past year a new elevator of the same capacity was added. The machinery and plant there are capable of handling another 5 million bushels. I personally think that 50 million or 100 million bushels could easily be shipped through the port of Churchill in any one year. I was talking to the captain of a ship which arrived in Churchill and was loading 400,000 bushels. He said that the shipping firm for which he worked had 17 ships and would be willing to send them in there for wheat, but he asked where the wheat to load them could be obtained. He said there are plenty of ships available and the shipping firms and the captains like the route. As a matter of fact, for 300 years old wooden sailing ships went in and out of there without any difficulty whatever.