

way we can pay for these commodities is by exports, and I find by examination of our export trade figures that in 1928, out of total exports amounting to \$1,228,000,000, wheat amounted to \$352,000,000, or 28 per cent. In 1929 our total exports amounted to \$1,363,000,000, of which wheat amounted to \$428,000,000, or 31 per cent. During 1930 our total exports fell off; they amounted to \$1,120,000,000, of which only \$215,000,000, or 19 per cent, represented wheat. In 1930 our total exports were \$243,000,000 less than in 1929, and of that total loss wheat accounted for \$213,000,000. I think that is a serious situation as far as our export trade is concerned. The figures which I quoted do not include flour. In 1928 our export of flour was 59,000,000; in 1929, 65,000,000; and in 1930, 45,000,000.

I feel that if no action is taken to assist the Canadian wheat grower he will have to disappear. He cannot continue to operate under these conditions. The growers in Australia and Argentine have another distinct advantage over our producers, one that is perhaps more serious than the government recognize. According to a bulletin I received last week from the National City Bank of New York, London exchange owned in Australia commands a premium of 30 per cent in that country. The effect of this is to increase by 30 per cent the price to the producers in Australia of wheat and other exports when these funds are exchanged into Australian currency. Exactly the same position exists with regard to the Argentine. The National City bank bulletin says:

The suspension of gold payments in the face of an unfavourable balance of payments resulted in currency depreciation which is now about 30 per cent.

The result of this is undoubtedly to increase the returns to the growers of wheat in Argentine by 30 per cent in Argentine funds. If Canada would suspend payment in gold as she did in 1914, and as has been done in the Argentine, I do not think there is any doubt that our dollar would depreciate; that is, if the government would cease floating foreign loans.

I should like to show by a quotation from the Commercial Intelligence Journal under date February 14 just how this is affecting growers in Australia. This was a despatch sent by our trade commissioner in Australia under date of January 5, before their exchange had depreciated to the extent it has now. It says:

The manager of the Victorian wheat pool has expressed the view that the advance in exchange should increase the net returns to

growers of approximately 1½d. (3½ cents) per bushel. The advantage in the case of wheat will obviously be applicable to exports of Australian goods and products to the United Kingdom and other countries.

There is absolutely no doubt in the world as to how it works.

If Canada is to go into mixed farming to a large extent and is going to produce bacon and cheese and other commodities for export, we have to go into the old country market and fight for our share of that market. How are we going to do so if we remain on a gold basis with the appreciated dollar which we have to-day?

I have here a memorandum which I secured from the Department of Agriculture about six or seven years ago, dealing with Danish bacon. The memorandum says in part:

What is probably of as much importance as anything is the rate of exchange which has prevailed since the war between Danish and English currency, the prevailing rate being 24 to 25 kronen per pound sterling. Thus, because of their depreciated currency, the Danish farmer is receiving approximately 1/3 more when sterling has been transferred into his own currency than he would under normal conditions, while we are on every English pound losing anywhere from 15 to 50 cents in exchange. This may not seem a great point, still it has meant that prices for hogs in Danish currency have been sufficiently high to influence the Danish farmer in volume production just as our Canadian farmers were enthused in volume production by the high prices here during the war and this factor has contributed in no small measure to the greatly increased hog killings in Denmark during the past year.

I want to make it clear that this increase in value in Canadian currency of our wheat which is exported would apply equally to all exports, and it is the exporters in Canada to-day who are in such a difficult position. The stated policy of this government is to give fair conditions in the home market to the home manufacturer. But what about the exporter? He is left to shift for himself. Last year at the special session the government introduced very drastic legislation to prevent any goods being dumped into Canada; yet every bushel of wheat we produce in Canada, whether consumed here or elsewhere, is sold at a dumped price. Everyone knows it. What is being done about it?

In support of my contention that this would increase the prices of wheat and other exports, I wish to quote from Hansard of June 8, 1922, a speech delivered by the present Minister of Trade and Commerce (Mr. Stevens). In this speech the hon. gentleman was dealing with the question of depreciated currency, pointing out to Mr. Fielding, then Minister of Finance, that it was impos-