

*The Address—Mr. Castleden*

It is being so called by some people who support our system. Imagine such a thing in a world hungry for food. But it does mean, as far as ERP or ECA is concerned, that no more American dollars will be available to Great Britain to purchase Canadian grain. That is the reason why the Minister of Agriculture (Mr. Gardiner) was unable to make any agreement with the British government for the 1950 crop. Great Britain cannot purchase our surplus commodities, such as wheat, without ERP dollars or Canadian dollars. If they do not come from ERP or ECA, then there is only one way she can get them, and that is by selling goods in Canada.

The hope for a long-term agreement today rests with the committee which I believe is sitting at this hour in Washington trying to arrange some international basis for the exchange of the world's wheat, on an international level, to share on a quota basis those markets of the world which will be available and which we believe will require these foods. If that conference fails, then the future is indeed dark for us.

The other day it was discouraging to read that the Argentine, which is one of the great wheat exporting nations, had withdrawn from that conference. That will mean that the Argentine, producing soft wheat, which is used to a larger extent in milling in the British markets and in Europe, will be forming a competitive factor against the world's exchange of goods on a barter basis. Our hope for fighting off a depression rests entirely on the ability of the governments of the world today to agree on an international basis to exchange their goods at whatever costs—to exchange their goods and overcome the things which are preventing an exchange of goods.

In the past we were told that we could not sell our agriculture surplus because of the value of Canadian exchange as compared with the British pound in the sterling bloc, the soft currency bloc, and the American hard-dollar bloc. The flow of goods must not be stopped this time by exchange values. If the exchange situation is going to be allowed to stop the flow of goods, then I think we will face, in the near future, the suicidal action of governments, who wish to continue governing their countries, following down the trail which leads to the inevitable position where they will not be able to get rid of their surplus goods. Then they must of necessity face a depression and bring others down along with them.

Although our government has expressed no opinion on the matter, and has expressed no policy, I hope that it is willing to exchange

goods on a barter basis with a country which will take our products. I do not know whether this government is willing to break with the great nation to the south of us. As we watch the trend recently, it appears that this government is making of Canada more and more a sort of dependent appendage of the United States, tying us up with the American dollar, tying us up in so many fields that we are now almost a minor state of that union. Are we to be free to make a break so far as the American dollar and the Canadian dollar are concerned? Individual farmers and farm organizations have cause for serious thinking on this matter. It has become the greatest single peacetime problem which faces Canada. Probably for that reason it has been the subject of more than one speech in this debate.

The farmer knows that the value of his products can fall overnight, but the cost of the things which he must buy does not. He is put in a position where he must buy them. He is always in the position where those who are selling these products to him tell him the price that he must pay for them; but he is not in a position to tell them the price at which they must buy his commodities. He makes his living out of that production. He cannot change it. He may be forced to continue to produce away below the cost of production, as he did in the thirties. He will then be forced to load himself down with a debt burden himself, and his family after him. It happened to hundreds and hundreds in the western provinces in the thirties. The farmer lost his farm to the mortgage company, his home and his life savings.

There is one feature of the present system of handling grain and agricultural commodities throughout Canada which, with the seriousness of the situation which faces us, is of the utmost importance. It is quite clear that the farmers themselves have made up their minds that it will go. I refer to the speculative system of marketing. Those who control our commodities plan daily what price they will pay for them. It is going to be necessary for us to negotiate and to plan our markets for the future. Our distribution must be organized democratically. I do not think the contention that you cannot have orderly marketing without regimentation and the loss of freedom, will stand examination; because logically, and already practically, farmers or organizations have shown that through democratic organization they can represent the will and the wishes of the people, and through farm organizations they can get together, plan their production, and plan their exchange of goods. The farmers pool organizations in the west, the united