

International Wheat Agreement

negotiations, Canada was between the upper and the nether millstones. The United States originally held out for \$2.50 per bushel maximum and Britain held out for considerably less than \$2.05. I feel sorry that we had to go along with the crowd and accept \$2.05 although, as I have already pointed out, I can see the farmers' point of view and they are disappointed; there is no question of that.

Taking all the circumstances into consideration, Mr. Speaker, I think perhaps we had better do our very best to make this wheat agreement work; and for that reason I am going to give it my whole support.

Mr. Rene N. Juitras (Provencher): Mr. Speaker, I do not intend to speak at any great length on this subject, but since we have already had several speeches on the question today I would like to make a few brief references not so much to the negative aspect of the agreement, which has received prominence in the discussion so far, but more on the positive aspect of the agreement itself.

It was mentioned by a previous speaker that the measure was receiving universal support in this house. I doubt whether that description quite applies to the stand of the official opposition. The hon. member for Souris (Mr. Ross) spoke on the measure and used all the time at his disposal to present arguments against the agreement, but when he came to the conclusion of his remarks he said he would support it.

We have had this argument presented to the house on many occasions. I well recall the discussion at the time of the United Kingdom wheat agreement after the war, and also the discussions on the other international agreements. On every occasion the official opposition took the stand, as in the case of the United Kingdom agreement, of not voting against the agreement but not expressing their dissociation from it, and then they later claimed that they had not given support to it. They have argued that these international agreements have resulted in great losses to the farmer. It is very hard to see how, if the agreements have caused great losses, the official opposition can turn around and support them on that basis.

The hon. member for Souris expressed his very deep and very great regret that the United Kingdom had not signed the agreement; but I suggest that he should welcome the United Kingdom not signing the agreement because the United Kingdom purchases represent 30 per cent of the purchases by

all countries. If that much is eliminated from the losses, and according to his argument all there is to do is to turn around and sell at the class II price—we can presume that Britain will buy at that price—then that should reduce the losses. So it is difficult to see how we can reconcile the idea that the agreement is bound to bring a loss with the statement by the hon. member that he deplores the fact that Britain has not signed the agreement; and then he turns around and supports the agreement. However, as we all recall, the party went through the same antics over the United Kingdom agreement to which there has been a great deal of reference, so this is nothing new.

Coming to the agreement itself, I think the most promising thing and the great achievement is the fact that the countries concerned were able to negotiate and arrive at a compromise. That will to a large degree alleviate the anxiety in the minds of many producers. Not only that, it will alleviate the anxiety in the minds of the purchasing countries, the importing countries. I think it is fair to say that in this country producers generally would have faced the future with very great anxiety if there had been no international wheat agreement at all. They are aware, I think it is fair to say, that the production of wheat has increased substantially since the end of the war.

Dealing with the subject there was a very interesting memorandum presented by the international federation of agriculture producers who analysed the world situation with great care and came to certain conclusions. In their memorandum they suggest that world trade in wheat in the next five years may average annually as much as 825 million bushels, as against 900 million bushels in the years immediately following world war II and 550 million bushels in the immediately preceding years. Unquestionably there has been a considerable increase in wheat production in the world. In addition it is true that we have been able to dispose of production since the end of the war; but what has created anxiety once again is the fact that a very great deal of the export of wheat in the world has been financed through state aid.

I think the record shows that at least the equivalent of one-third of all post-war wheat has been financed through state aid of one kind and another. The United States, which is the leading exporter in our class, disposed of 55 per cent of its wheat through direct state assistance, and when you consider that you can understand why the producers of this country would have great anxiety over doing away altogether with any kind of