

*Agricultural Prices Support Act*

But we have a large potential market in Canada of low-income people. We must tap that market by special measures.

Then the federation of agriculture referred to the food allotment proposals being put forward in the United States. Consideration should be given to the Brannan plan, which has received a good deal of publicity. It is true that the farm bureau in the United States did oppose that plan, although a Gallup poll discloses that a majority of farmers in that country were behind it.

In my view the chief objection to the Brannan plan—and I believe this is the one that was raised by the farm bureau—is that under that proposal the prices of farm products would be allowed to fall, thereby increasing consumption. The farmers would then be paid a price to make up the difference between the prices at which agricultural products sold and what was considered to be a parity price. The objection of the bureau was that the claim would be made that farmers were being subsidized to that extent. It wanted the prices of agricultural products to be maintained at parity level, and then to have the general consumer subsidized so that he could buy those products at reduced prices.

If any subsidizing is to be done, then it is the latter plan which I believe would be the better one, namely that of first of all trying to maintain agricultural products at fair prices, and then to subsidize Canadian consumers to buy those products at whatever prices may be considered advisable.

With respect to export markets I would repeat what I have said before in the house, that the condition of those markets is due to the policies of this government and policies followed by the United States under certain international agreements passed in 1945. Those agreements made international trade a financial problem rather than a problem of exchanging goods and services for goods and services.

Our stand has always been that the true function of international trade is the exchange of goods and services between nations on a basis of mutual advantage, instead of following the policy this government has followed consistently since 1945, of trying to make our sale of goods to Europe dependent upon their being able to pay us in dollars.

May I at this point congratulate the Minister of Fisheries (Mr. Mayhew) upon what I thought was a progressive and realistic speech delivered in the house on the question of marketing our exports. Apparently his speech did not meet with favour among the rest of the cabinet. I believe his proposal was a logical one. Evidently he had reached his conclusions after visiting a number of countries. It was his view that if we could

set up a body of men to trade our surplus goods for the surplus goods of other nations we would in that way be able to overcome our trade difficulties. That is what we in this group have been proposing ever since 1944. Therefore I was disappointed when I found that the Minister of Agriculture had turned down the proposal for an international commodity clearing house, when it was placed before the FAO conference recently. He stated that while he supported the underlying principle, he felt that what was proposed under the international commodity clearing house could be accomplished individually by Canada. Therefore it did not receive his support.

In view of the fact that the government did turn down the international commodity clearing house on this ground, I think there will be no justification in the future for the federal government saying that they have a surplus problem. They had a chance to support an organization that would have taken care of surpluses, but they turned it down on the ground that they could take care of those surpluses themselves. I hope we shall not hear anything more in the future about the government not being able to dispose of our surplus products.

When the Minister of Agriculture says that the Agricultural Prices Support Act is not an alternative to the securing of markets, then he should keep in mind the fact that the job of securing markets is the responsibility of the government. In the meantime if there are surpluses the Agricultural Prices Support Act will provide the means whereby our farmers will receive fair prices for those commodities. The ideal set-up for dealing with the marketing of our agricultural products would be a federal marketing board backed up by the Agricultural Prices Support Act and working in full co-operation with provincial boards in disposing of surpluses by means of consumer subsidies in the home market and by trading with other nations to exchange surpluses through bodies such as the ICCH or by methods similar to the one suggested by the Minister of Fisheries (Mr. Mayhew). The government have made it quite clear that they do not like these bodies, so it is up to them to bring down proposals that will deal with these matters satisfactorily.

However, one thing should be kept in mind. The world today requires that the production of agricultural produce be maintained at a high level. We have been assured by scientists and by the director of FAO that the population of the world is increasing more rapidly than the production of food. Unless, there is to be wholesale starvation in the world it is absolutely essential that we do