

*International Wheat Agreement*

This agreement is perhaps the best effort that could be made by all of the nations collectively in the light of the current wheat situation. The Canadian government has had the support of farm organizations in its effort to bring about such an agreement. In fact it had some of the leading members of the agricultural organizations of this country actively participate in bringing about the formulation of this agreement.

**Mr. Martin (Essex East):** Mr. Warren was one of them, was he not, or Mr. Wesson?

**Mr. Argue:** Is he from your part of the country?

**Mr. Martin (Essex East):** No, he is a westerner.

**Mr. Argue:** Mr. J. H. Wesson, president of the Saskatchewan wheat pool, was one of the leading members on the Canadian side. Mr. Alf. Gleave, president of the Saskatchewan farmers' union, was also in attendance. There were undoubtedly others equally eminent whose names escape me for the moment.

**Mr. Benidickson:** I thought a list of them should be put on the record later.

**Mr. Argue:** Having said that this is probably the best arrangement that could be made under existing circumstances, one should recognize the fact that this agreement in no way assures the solution of this extremely difficult problem. I have listened in this house over the years to many speeches by ministers of trade and commerce, in which the minister of the day has presented the argument of the government in favour of the particular policy that was being followed at that time. The optimism for which Right Hon. C. D. Howe was so well known in the house has been carried into the speeches of the present Minister of Trade and Commerce.

We have had from the minister this morning a survey of this agreement. While one can discover from the statement he has made that he realizes that this agreement is not likely to meet the total situation as it exists, nevertheless the language the minister used emphasizes, this agreement, I believe, beyond its likely real value. By that I mean that the present minister is taking this same optimistic approach. I am wondering whether the present Minister of Trade and Commerce, when it comes to a discussion of the grain situation, has not perhaps the same ghost writer or ghost writers who used to prepare the extremely optimistic statements that were once prepared for his predecessor.

**Mr. Churchill:** No; they are new ones.

**Mr. Argue:** The minister says they are new ghost writers, but one undoubtedly is following in the footsteps of the other. He probably has been checking the files and has put into the hands of the minister, by the minister's own admission, the statement which was made this morning and which I think is so optimistic as in fact to give rise to a misleading conclusion, and which in fact would mislead people who do not understand this situation.

The minister has spoken of this agreements as being broader in concept, scope and content, and as an enlarged framework, and has said many optimistic things about the agreement. Mr. Speaker, I should like to hear from the minister at some time a frank statement on the extremely difficult situation in wheat that today faces Canada and the world. That is not in this statement made this morning. In this agreement there is not an adequate guarantee that these difficulties will in fact be met.

This agreement continues the trend of lower wheat prices. There is a reduction in the ceiling price from \$2 a bushel to \$1.90 a bushel. That is not likely to be a real factor within the life of this agreement, as I see it.

**Mr. Martin (Essex East):** Unless there were big failures.

**Mr. Argue:** The hon. member for Essex East says "unless there were big failures".

**Mr. Martin (Essex East):** I mean crop failures.

**Mr. Argue:** Crop failures, of course. I do not think in the major wheat producing countries of the world you are likely to get a series of crop failures that would so affect the world situation as to bring about a shortage of wheat.

**Mr. Martin (Essex East):** That is right.

**Mr. Argue:** Another factor of this agreement is the continuation of the floor price at \$1.50 a bushel, basis No. 1 northern, Fort William. We would have been happier if, along with a reduction in the ceiling price, there had been some increase in the floor price that would have brought that price to \$1.60 a bushel. The selling price at Fort William today is \$1.67 a bushel, which means that the price in recent years has been above \$1.60. But any reduction in present wheat prices to the floor price set out in this international wheat agreement that we are approving this morning would spell disaster to the wheat producers of this country.

That would mean a net reduction in the present price of wheat of about 17 cents a bushel. In general that would wipe out the interim and final payments to wheat producers