

for over two generations, all you have to do is subsidize your exports of wheat and flour, barter your wheat for strategic materials from countries who normally buy wheat for cash, extend long-term loans reaching almost into the next century and tie your loans to a compulsory annual purchase. The western Canadian wheat farmer is as knowledgeable and as politically vocal as his cousins in the mid-Western States.

You have been cutting into our markets for flour abroad because you subsidize your flour exports. If our two countries were on an equal footing financially, we could do the same, but at the present time your billions rather overshadow our millions.

We are so much more concerned than you with our export market for wheat and flour. Eighty cents of every dollar received by the Canadian farmer from his wheat sales comes from the export market. It is not so with you, for your domestic consumption takes between 60 and 70 per cent of your crop while ours takes only 20 per cent. Twelve per cent of the value of our total exports comes from wheat and flour sold abroad. With you it is less than 4 per cent. The western Canadian farmer must export to live and, if his export markets are interfered with by subsidized exports from other countries, his state of mind is not that of a completely satisfied individual.

There are other people than farmers in Canada. We have people who are very much interested in our developing oil industry; others who depend for a living on the mining processes connected with lead and zinc.

In these three fields, oil, lead and zinc, some difficulties have arisen because of the restrictions that your country has placed on the import of these commodities. We are not unfamiliar with some of the reasons that have brought about these restrictions.

Your national security makes it important that an active oil industry is in operation in your country. With regard to lead and zinc, we understand that your mines are facing problems that appear to be most easily met by the curtailment of imports. However, our concern is due to the fact that, as you protect your native industry, ours takes a serious loss by a reduction of about 20 per cent in its production and export.

Some of the present irritation over this action would have been decreased had there been prior consultation with Canada before action was taken. That is not an unreasonable request. It is one that some of your people have made to us at other times on other subjects. It is recognized good procedure among friendly nations. I welcome the recent proposal of the United States at the GATT Conference in Geneva that we should confer together and with other trading partners concerning this matter.