

first started in Canada on an island at the mouth of the St. Croix river, in the days of the very earliest settlement of the northern part of this continent, and extended gradually farther westward. The history of wheat growing on this continent, whether it be north or south of the United States boundary line, is the history of the gradual movement of wheat growing, westward across the continent. At one time I believe even spring wheat was grown, and very successfully, in the eastern part of Canada. At a later period they were able to grow winter or fall wheat, and grow it successfully. As a matter of fact, people in eastern Canada still have success in growing winter or fall wheat.

When the western plains, both north and south of the boundary line, were opened up, wheat of a different variety was grown in the western sections, and more particularly in those sections far to the north. No. 1 northern Manitoba wheat, or similar varieties grown in the United States, is grown only in the three western provinces and in those states immediately south of the United States boundary line. In spite of the fact that we speak of the United States as having produced in the last year over a billion bushels of wheat, I believe there were only about 225,000,000 or 250,000,000 bushels of that wheat which were of the spring wheat variety. That must have some bearing upon our discussion of the question of wheat growing in western Canada.

I believe I should repeat, however, that as we opened up the western plains and began to produce wheat on lands which in the beginning were very much lower in value than lands upon which wheat had previously been grown in eastern Canada, those in eastern Canada who had previously made their living by the growing of wheat had to stop growing it, and permit people in the west to grow the bread varieties. The wheat grown to-day in Ontario and Quebec is used, largely, for the purpose of producing pastry flour or flours used in the making of biscuits. Very little of it, excepting quantities used for mixing, is used for the purpose of bread-making. We in western Canada have taken the place of people in other parts of Canada in producing the bread-making varieties of wheat.

Another point we should remember is that other countries are producing wheat for export. Three other countries now exporting a considerable proportion of their production are Australia, the United States and the Argentine. Recently we have read reports of a conference held in the past few weeks in London. It will be recalled that newspaper reports have indicated that this very question is determin-

[Mr. Gardiner.]

ing the actions which at least some of these countries intend to take in relation to any arrangement that may be made as a result of that conference as to price levels, quotas or anything else relating to the production of wheat. In 1933 one of the great wheat producing countries, the Argentine, upset an arrangement which was about to be entered into as a result of a conference which had been held in London for the control and production of wheat in the great exporting countries. Argentina refused to agree to the terms of an agreement which had been discussed, and she would not become a signatory to it.

My understanding is that those who have been representing Argentina at the conference recently held in London have been taking the position that wheat can be grown at a certain price in that country. They contend that because it can be grown at a certain price, they are going to sell their product at a price based upon that cost of production. After all, that is the position that we have all taken. In relation to this and to every other farm product we have taken the position that when we can produce at a certain cost we will attempt to sell the product in any market available to us. The Argentine took that position in 1933, and they are apparently prepared to take the same position now.

We are then confronted with the attitude which will be taken by the great consuming countries. Only five or six per cent of the people of Great Britain are engaged in producing food products, ninety-five per cent of them being consumers. That country is compelled to decide whether she is prepared to pay a price higher than that at which someone else is willing to offer a product. I think if we will take human nature into consideration we will eventually come to the conclusion that great consuming communities like Great Britain are, generally speaking, going to buy their food products in the market where they can be obtained the cheapest. We in Canada will probably be more or less affected by that fact in connection with any policies which we may lay down relating to our wheat. It is quite close to six o'clock and I would prefer to defer any other remarks I have to make on this matter.

Mr. CAHAN: The last time I was in Argentina was late in 1935. At that time I ate in the hotels and private residences bread which had been made from Argentine wheat. I do not wish to say anything deprecatory of Canadian wheat, but I must say that that bread was as fine as I have ever eaten in my life. When I returned to Canada I men-