

*Supply—External Affairs*

DEPARTMENT OF EXTERNAL AFFAIRS

minister considering taking action to break up this type of monopoly and combine affecting the lives of young people?

**Hon. Guy Favreau (Minister of Justice):** Mr. Speaker, I wish to thank the hon. member for giving me notice of this question. On their face, the facts he describes appear to involve a situation not covered by the Combines Investigation Act. I shall, however, refer the matter to the director of investigation and research in order that he may consider whether the act has any application in this situation.

**AGRICULTURE**

**INQUIRY AS TO GOVERNMENT POLICY ON DEPRESSED PRICES**

On the orders of the day:

**Mr. W. H. Jorgenson (Provencher):** Mr. Speaker, I should like to direct a question to the Minister of Agriculture, but in his absence I wonder whether I could direct it to the Prime Minister. In view of the cancelling of the import quotas on turkeys and the resultant drop in prices; in view of the refusal of this government to do anything about falling cattle prices, and now that there has been a reduction in the price of wheat, are we to assume that the depressing of agricultural prices is a deliberate policy on the part of this government?

**Right Hon. L. B. Pearson (Prime Minister):** Mr. Speaker, the hon. member should make no such assumption, because it is not based on fact.

**GRAIN**

**WHEAT—INQUIRY AS TO GUARANTEED PRICE**

On the orders of the day:

**Mr. E. Nasserden (Rosthern):** Mr. Speaker, I have a question for the Prime Minister. In view of the revelations which have been made today by the Minister of Trade and Commerce, when can we expect the long delayed and well promised legislation in regard to a guaranteed price for wheat?

**Right Hon. L. B. Pearson (Prime Minister):** Mr. Speaker, that is a question of broad policy which could not very well be answered on the orders of the day.

**SUPPLY**

The house in committee of supply, Mr. Lamoureux in the chair.

35. Economic, technical, educational and other assistance as detailed in the estimates, \$75,600,000.

**Mr. Nesbitt:** Mr. Chairman, last evening we had some discussion on this item; an amendment was moved and a vote taken. In view of some of the remarks made by the minister on that occasion I should like to make some further representations to the minister in this regard.

The minister indicated to us last evening that an item of \$350,000-odd was contained in vote 35 to provide aid to Indonesia in the form of wheat flour, which had not yet been shipped to Indonesia and was in fact a matter still under consideration by the government. I am very glad indeed to hear that but I do think that some further clarification of this matter should be forthcoming at this time, just to prevent any misunderstandings.

First of all, I think it would be quite safe to say that no member of this house bears any malice or has anything against any of the Indonesian people. Those people have had a long struggle for their independence and are doing the best they can to develop their country. No one has anything against the Indonesian people; I think that is quite clear. As I have pointed out in this house on various occasions, there is no objection from this party regarding scholarships for Indonesian students in Canada. What is objected to is the gift of wheat flour which would be turned over to the government of President Sukarno, for what purposes we do not know. It may be the intention of the external aid office to see that the Indonesian people get it, but we certainly have no assurance that it is the people of Indonesia and not the army who are going to get this wheat flour.

A number of persons may well ask—I have been asked this question myself—how does the shipment of wheat flour to Indonesia help President Sukarno in his unprovoked aggressions against Malaysia. I think the answer is quite simple. Arms cost money, in the first place. In the second place, arms to fight wars are not produced to any extent in Indonesia. Third, to buy arms abroad you have to have foreign exchange, and most of these countries in southeast Asia are rather limited in that regard. Since Indonesia undoubtedly has a limited amount of foreign exchange available, it must conserve its use very carefully.

It is undoubtedly necessary that a certain amount of wheat flour be used in Indonesia by the Indonesian government, and if it is not given to the government they will have to buy it. If they have to buy it that reduces