

*The Address—Mr. Diefenbaker*

the very serious result that will flow from the United States disposal program whereby, on a bargain counter and with extended credit over the years, not only is the United States appropriating markets for today but also markets for three, four or even more years ahead. What the United States is doing and what it did in connection with the Brazil agreement was a contravention of international agreement. Brazil will purchase 18,000 tons of wheat over a three year period.

What happens to Canada's markets when Brazil is bound under the agreement, because of its beneficial nature, to continue to purchase. That is not fair international competition, but illegal. The Prime Minister was not averse to strong words of criticism of Britain and France a few weeks ago when he referred to these supermen. I ask the Prime Minister, what did he say to the President of the United States? Did he get any assurance from him that this serious condition brought about through improper means and in derogation of trading relationships shall be discontinued?

What about Brazil? In 1952-53, Brazil purchased from Canada 11,089,000 bushels and that was some 7,200,000 bushels more than the year before. In 1953-54 Brazil bought 7,706,000 bushels, and now we are practically out of the market. The same condition prevails in 12 other countries. The United States, by its policy, is securing a greater proportion of the world market than is justified by proper means. Canada cannot meet this type of unfair competition. We have not the resources. In addition to that the fact that we import, as we do, all our commodity requirements from the United States that could be purchased elsewhere is no incentive for nations to purchase agricultural products from us.

Two years have gone by since the United States started this system of disposing of surpluses by local currency and give away deals. In the last two crop years Canada has fallen behind the United States and has lost her place as the leading wheat exporter to the United States. What about the deal with India? The hon. Minister of National Health and Welfare (Mr. Martin) is over there now. Is he endeavouring to secure markets, while the United States has cornered the market there for the future—in part by a deal that is unjust and a denial of all the principles of fair international trading recognized under GATT and also under FAO?

According to the press it was not until September, 1956, that the government finally found out these give away deals carried with them an undertaking on the part of the recipient country to continue to deal with

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the United States for a set number of bushels to be imported in the years ahead. What is the government going to do about it? India takes \$400 million worth of agricultural products on terms so dangerous as to constitute a gift. If this goes on and the United States extends similar offers to West Germany and Japan and some of our other good customers, Canada will suffer irreparable damage. I say to the Prime Minister that a policy of sit tight and contemplate and sending simple messages is not sufficient. The president of the United States must be made to realize that conduct such as this is not advisable for the maintenance of the strength of the free nations and is a denial of the undertakings of the United States under the international agreements to which I have made reference.

As far back as September 17, 1952, the agricultural attache to the United States embassy at Ottawa stated that there was no danger in this and that surpluses would only be sold abroad by the United States competitively and always fairly. What is the Prime Minister going to do? What attitude is being taken by this government? An attitude similar to that taken in the last few weeks in connection with the potential railway strike and since is not the kind of action that will secure for Canada her markets and the markets to which she will be entitled provided she is able to meet fair competition—which is all that Canada expects and all that she has a right to expect.

Now, sir, the other questions in the speech from the throne will be dealt with by other members on this side of the house. All I have tried to do today is to place before the house two or three instances of resolute inaction on the part of the government. For some reason the attitude of the ministers individually and collectively is this, that action is not necessary; that we can hope and expect and ultimately something will happen. This applies in the international field and applies in the national field in the examples I have already given. It applies in many places to which reference will be made during the progress of this debate.

Having regard to these circumstances, I therefore move, seconded by the hon. member for Eglinton (Mr. Fleming), that the following be added to the address:

We respectfully represent that Your Excellency's advisers, by reason of their indifference, inertia and lack of leadership in the face of serious national and international problems and their disregard of the rights of parliament, are not entitled to the confidence of this house and have lost the confidence of the people of Canada.