

In 1933 the four large exporting countries, namely Canada, the United States, Australia and Argentina, sought to arrive at an international wheat agreement which would solve all the problems of producers and consumers.

Hon. Mr. HAIG: Won't you let me be wrong once in a while?

Hon. Mr. CRERAR: Yes, I am quite willing to concede that much. The story is an interesting one, and I think I could talk for at least half an hour about the many attempts which were made to bring about a wheat agreement. The idea had its genesis in 1933 in the city of Washington, and was the product of the fertile imaginations of economic planners who had never grown and never marketed a bushel of wheat, but who deemed themselves capable of solving this great problem. From that time to the present, effort after effort has been made to bring about an international wheat agreement. Heretofore all these attempts have failed; and as to the present agreement I am not nearly so optimistic or so hopeful as was the honourable leader of the government (Hon. Mr. Robertson), who introduced it yesterday.

Hon. Mr. HOWARD: It is just a start.

Hon. Mr. CRERAR: The fundamental difficulty, of course, is that, in bringing together exporting countries and consuming countries, you are endeavouring to reconcile two wholly conflicting and opposed interests. Naturally the exporting countries wish to secure as good a price as possible for their producers of wheat. No less naturally and understandably, the importing countries want to buy wheat as cheaply as they can. So, in all these conferences—I do not know how many have been held—one finds this process of see-sawing between consumer and producer. But apparently, in the measure before us, that difference has been to some extent overcome.

As the leader of the opposition (Hon. Mr. Haig) stated yesterday, the agreement covers a total of 500 million bushels. That amount is less than one-tenth of the total wheat production of the world.

A moment's attention should be given to the thirty-three importing countries which have signed the agreement. Who are they? First in alphabetical order is Afghanistan. That state has undertaken to purchase the magnificent total of three-quarters of a million bushels.

In this list I observe five importing countries which are going to purchase under a million bushels. The prize goes to Liberia, a country situated somewhere in the western part of

Africa. Liberia has agreed to purchase only 37,000 bushels, which even the warmest advocates of the agreement will admit is not of much importance. This list shows only two or three countries which would be of any real value to Canada as substantial outlets for our wheat production. What guarantee have we that these countries will live up to their obligations? I searched the agreement from beginning to end, but nowhere did I find any suggestion that a penalty or sanction would be imposed if a country defaulted on its part of the agreement. Let us take a country like—

Hon. Mr. HAIG: Czechoslovakia.

Hon. Mr. CRERAR: No, I am not taking Czechoslovakia. I shall use a better illustration. Let us take a country like Colombia in South America. That country pledged herself to purchase several million bushels of wheat under this agreement. Supposing six months after the agreement is ratified by all the countries—if it ever is—Colombia says, "We do not like it. We can buy wheat cheaper elsewhere and we are going to do so." There is not one country on this list which, if wheat is offered to it at a cheaper price than it has to pay under the terms of the agreement, may not push the agreement aside; and there is absolutely nothing that this glorified body called the International Wheat Council which was set up by the agreement can do about it, except hold meetings and protest and spend a good deal more of the taxpayers' money chasing another will-o'-the-wisp. That is just about what it amounts to.

Another significant fact is that of the exporting countries only three are signatories to this Wheat Agreement: Canada, the United States and Australia. The Argentine and Russia are the two other large potential suppliers of wheat in the world. Russia will come back to be a wheat exporting country again as she was before the first World War. Suppose that Argentine crops are rather plentiful and that she offers to sell wheat to Italy at 15 or 20 cents a bushel cheaper than Italy could buy it under this agreement; and let us imagine that Italy is hard-pressed for foreign exchange, as she will be for many years to come. There is nothing in this agreement to bind Italy, or other countries in the same position, to carry through their part of the agreement. I think I am well within the mark when I say that the whole agreement rests on a flimsy and shadowy foundation.

Hon. Mr. HOWDEN: Would the honourable senator suggest any means by which this country could be forced to buy the wheat?