

There were indications that world agricultural production would continue to increase in 1957-58. Many countries, particularly in the less developed regions, had reported that vigorous measures were being undertaken to improve their agriculture, and it was probable that production would continue to expand.

With abundant supplies, average prices of agricultural products in world trade had continued their decline, and no reversal of this trend was yet apparent. In comparison with the increase of eight per cent in volume in 1956, an increase in the total value of world agricultural trade had only been about four per cent, and in some regions the value of agricultural exports actually declined.

The report expressed the view that farmers had not shared fully in the increased prosperity in many countries. Consumers did not appear to have benefited by lower agricultural prices, partly because mounting costs of food distribution had caused retail food prices to rise generally in 1956 in almost all countries. This had tended to restrict increases in food consumption, especially in countries where incomes were low.

In the discussion of the Director-General's report, Mr. Douglas Harkness, the Minister of Agriculture, who led the Canadian Delegation, made the following comments during a plenary session of the Conference:

There is no room for complacency, not only is there still much to be done, but with progress come new problems or an aggravation of old problems. While everybody admits that agriculture is vital to the life and well being of all, farmers have not in the past few years shared fully in the economic progress made in many countries.

If we review the many reports issued by our Organisation during the last few years we find that governments and farmers, in their efforts to solve their many problems, have turned to measures which in the short run may prove helpful but are likely over the long run to create new difficulties. In many instances these solutions often merely result in moving these problems from one country to another, from one group of primary producers to another. This "beggar thy neighbour" policy is one which we do not favour and I am sure it is not acceptable to members of this Organisation.

The Canadian Delegation feels that through FAO all countries can work together in finding solutions to the host of farm, forestry and fisheries problems, to the benefit of everyone concerned. I know that during this Conference we will be discussing price and income support measures, surplus disposal programmes, marketing problems, and many other issues. It is the sincere hope and wish of the Canadian Delegation that in the forthcoming discussions our attention will be centred on exploring solutions to these many problems—solutions that will be of mutual benefit to all countries and their producers."

### **Surpluses and Supports**

As was expected, the Conference was greatly concerned with the problem of surpluses of agricultural products in certain countries, and with methods being employed for their disposal. Canada and other countries indicated particular concern about surplus disposal programmes of the United States Government. There was general agreement that the problem of disposing of surpluses needed further study and action. The Conference approved a New Zealand resolution which made the following recommendations:

that FAO develop further ways and means of utilizing surplus products for encouraging consumption without impinging upon existing or future commercial trade; and that governments give particular attention to the attainment of these objectives.

An important achievement of the Conference was the adoption of the resolution on agricultural support measures which called for the formulation through FAO of principles to guide member governments in establishing or revising their agricultural price and income support policies. The resolution