

*Agricultural Products Act*

by the Minister of Agriculture. In doing so I do not mean to be critical of what he said; I simply wish to put certain views before the house. In a speech delivered in London on December 17 the minister had this to say:

... it was desired that because of shortage of dollars with which to buy from us it was expected that we would as soon as possible get our quantities of beef, bacon and eggs down to zero. . . .

I do not want to put words into the minister's mouth, but presumably he was expressing what he thought was the wish of someone over there.

When the U.K. traders came over this year, 1948, they intimated that they could not find dollars with which to buy food, together with other purchases they desired to make, excepting wheat and cheese. They were, after much discussion, prevailed upon to find dollars with which to buy 160 million pounds of bacon and 46 million dozen of dried and storage eggs.

The minister went on to say:

I am not making these statements to be critical of the United Kingdom government or its agents. I am making them to impress upon you the fact that the British people want our bacon, want our eggs, want our beef, want our wheat. I am making them to impress upon you that if dollar requirements had not intervened we would have been in a position to send you in 1949 over 300 million pounds of bacon, nearly 200 million pounds of beef.—

Now we are sending none.

—80 million dozen eggs,—

The government is now proposing to send 46 million dozen.

—several hundred thousand barrels of apples, thousands of bushels of beans and much jam, none of which your traders feel you can afford to have from us because of the dollar shortage. We cannot sell the apples, beans, jam and salmon to anyone at any price under the present dollar arrangements and for the moment we are finding it impossible to dispose of millions of bushels of linseed at 30 per cent less than you are paying others for it.

They are taking 140 million bushels of wheat and 50 million pounds of cheese from us because they must have them, and we appear willing to provide them for fewer dollars than any other will supply them.

Then the minister deals with what he appears to regard as a major problem:

... I am convinced that the world is not in any state of mind where it can expect to agree that the manipulation of any system or systems of currency is going to be allowed to interfere with the will of those who have empty stomachs when it is preventing surpluses of food to get to them. It might be a good thing for everybody if they close down the United Nations meetings long enough to permit of the United Kingdom and United States experts getting together and settling some basis upon which dollars and sterling can be converted—

The minister suggested that Great Britain and the United States get together about this matter. I am wondering why Canada was not suggested as well. Why should not the United Kingdom and Canada get together

on these matters? We are losing that market, and either someone in Canada or someone in Britain is to blame.

**Mr. Gardiner:** Just to keep the record straight, I have been following the speech that I read in London, and that sentence reads as follows:

It might be a good thing for everybody if the United Nations meetings were closed down long enough to permit of the United Kingdom, United States and Canadian experts getting together and settling some basis upon which dollars and sterling can be converted to allow nations like Canada to produce and distribute food to feed the starving millions.

**Mr. Bracken:** I am glad the minister has interjected, Mr. Speaker, because it answers one of my criticisms. The report of the address from which I have read did not include the words "Canadian experts".

**Mr. Gardiner:** This is the document.

**Mr. Bracken:** I accept the minister's statement, but the statement from which I read is one that was published.

I come now to the issue raised by the minister. In that connection I should like to quote one who is known to many of us here—Mr. Eggleston—and who, writing in Toronto *Saturday Night* in January of this year about the United Kingdom contracts, had this to say:

We know perfectly well why the food negotiations have run into an impasse . . .

I shall not quote the whole of the article, but only the pertinent parts.

There are at least two schools of thought on this subject at Ottawa, and their advice to the ministry is at certain points in direct conflict.

He is referring to the experts in the Department of Agriculture and the experts in the Department of Finance. The following is said to be the view of the agricultural experts:

Britain has always been our key customer for Canadian surplus foods; our agricultural production has been geared to supply that market, and if that market should be lost, the long-term view is depressing. The current demand in the United States, which promises to skim off our surpluses of beef, some cheese, and even quantities of bacon and eggs, should not be permitted to blind us to the limited long-term value of the U.S. market.

The writer continues at another point as follows:

Advisers in the Department of Finance and the Bank of Canada apparently dismiss such a policy as unrealistic. They see no early prospect of sterling becoming convertible; they are convinced that the British famine in hard currency will continue, and that (a) Britain will have to make herself as self-sufficient in foods as possible and then (b) buy most of her requirements in food from within the sterling bloc. For Canada to sell Britain large quantities of food and accept sterling in exchange will be, in effect, a further loan to Britain which can probably never be repaid.