

country elevators. The Board of Grain Commissioners takes charge of the wheat to start with, and then the Canadian Wheat Board takes over. When I was looking after this problem, as Minister of Trade and Commerce, we had a committee of the cabinet consisting of myself as chairman, the Minister of Agriculture, the Minister of Finance and others. Among this group were the Honourable Mr. Dunning, the Right Honourable Mr. Gardiner, the Right Honourable Mr. Ilsley and the Honourable Senator Crerar. There was also an advisory committee consisting of the heads of the various western farm organizations and representatives of various aspects of the wheat trade, including producers, shippers, millers and so on. I believe the personnel of this committee, if it is still functioning, is composed of actual producers and heads of western farm organizations.

Many people look upon Canada as being the greatest wheat producing country in the world. Perhaps this is because we hear so much in Canada about the wheat problem generally. It was of interest to me to learn authoritatively that China is actually the leading wheat producing country, followed in order by Russia and the United States. If my information is correct I understand that until recently both France and Canada produced approximately the same amount of wheat, some 400 million bushels a year. Latterly, however, Canada's production of 500 million and more has exceeded that of France.

Canada is an exporting country. We have to export our surplus wheat, whereas many of the countries I have mentioned consume their own wheat supplies. I was going to refer to these matters in more detail, because I thought they might be of interest to honourable members, but the time is late in the session and I am not going to go further into it now. However, I would like to refer to the good work done by the Department of Trade and Commerce officials—by the deputy minister, the assistant deputy minister and the Civil Service officials generally. Incidentally, I have never met nor heard of any better Civil Service than we have in Canada.

Hon. Senators: Hear, hear.

Hon. Mr. MacKinnon: And I never had any happier years in my political life in Ottawa or Edmonton than those I spent as Minister of Trade and Commerce.

Honourable senators, in supporting this resolution may I give a brief explanation of its purpose and benefits to Canada. The text of this agreement was tabled in the Senate

on June 26 of this year. This is the third such agreement, the original having been in operation for four years from 1949, and the second renegotiated in 1953 for a three-year period.

In order for this agreement to enter into effect it was necessary that, of the countries convened in conference, exporting countries making up more than two-thirds of the guaranteed quantity and importing countries in like proportion had signed between May 14 and May 18, and by July 16 had deposited, an instrument of acceptance or notice of intention to do so by, at the latest, December 1, 1956. The following countries undertook these provisions, and thereby the agreement became effective August 1, 1956, for a three-year duration: Argentina, Australia, Canada, France, Sweden, United States, Austria, Belgium, Bolivia, Brazil, Costa Rica, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, Germany, Greece, Guatemala, India, Israel, Italy, Japan, Korea, Lebanon, Liberia, Mexico, the Netherlands, Nicaragua, Norway, Panama, Peru, the Philippines, Portugal, Switzerland, Union of South Africa, Vatican City and Yugoslavia.

I wish to give a short review of the various International Wheat Agreements. As honourable senators are aware, exporting countries are obliged to make available their guaranteed quantities only at the maximum of the price range established, and importing countries are committed to accepting their quota only if prices are at the minimum of the range. Under the 1949 agreement, the established range of prices was a maximum of \$1.80 per bushel, and a minimum which began at \$1.50 in the first year and declined to \$1.20 in the fourth year. The annual amount guaranteed to Canada was 203 million bushels. For the entire duration prices remained at or near the maximum, the result being that Canada supplied virtually the entire quantity stipulated. For the three years of the agreement, commencing in 1953, the price range was higher, namely, a minimum of \$1.55 and a maximum of \$2.05 per bushel, with Canada's share reduced to 150 million bushels annually. The reduction in quantity was largely the result of the withdrawal of the United Kingdom. Prices fluctuated within the range, so that neither were exporters obliged to make available guaranteed quantities nor importers to accept. In fact, the volume of business conducted under the terms was only slightly in excess of half of the committed amounts for the three-year period which ended on July 31 this year. In the present agreement prices have been nominally reduced to a range of \$1.50 to \$2.00 per bushel and, while still subject to minor change, the