

Wheat Export Prices

Surpluses of wheat are not new phenomena. I remember standing in my place in this house in the 1940's and saying, amidst laughter from some members, that the day would come when we would be scraping the bottom of every bin in Canada trying to get enough wheat to meet world demand. That was considered to be very funny but in a few years it turned out to be true. Wheat production and wheat consumption have gone in cycles. Ever since the days of Joseph in Egypt, in biblical times, there have been periods of surplus followed by periods of scarcity, and periods of abundance followed by periods of drought. A day will come when again there will be a demand for Canadian wheat.

The important thing for the government and this House of Commons to do at the present time is to take the necessary steps to keep the efficient farmers in operation against the day when Canadian wheat, which is still the best wheat in the world, will be in demand all around the globe. I therefore hope we will have some statement from the Prime Minister, or from his associates, outlining specifically what they propose to do.

I do not think we should be told once more that a policy is forthcoming and will be announced in due course. Ever since last fall it has been perfectly apparent we were headed for this crisis. Now the crisis is here. In that period the government ought to have evolved a policy, and should now be able to tell us what that policy is. It should be able in the next few days to announce a policy that will give the farmers of western Canada some assurance of two things: first, that there will be a massive infusion of cash income to see them over the present crisis and, second, that there will be some stability of prices in the future to enable them to stay in operation as efficient producers.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I had hoped that at this stage perhaps the minister or the government would state the position of the government, particularly in view of the rapidly developing situation. I am grateful, however, for an opportunity to participate in a debate on this subject. Apparently it took a new body blow delivered to the wheat producers of Canada for this house to be able to debate this subject, one which we have been anxious to debate following the temporary suspension—which I believe are the minister's words—of the minimum price under the I.G.A. This matter obviously involves an emergency of great importance to the grain

farmers who are directly involved, to the whole of western Canada, and indeed to the whole of Canada. There is no question about the fall in Canada's share of the world market during the past year. Although the minister may mention this, I am not now talking about the longer term events over ten year periods.

There is no question that during the last two or three years Canada has lost a substantial share of the world market and that western farmers are now faced with a record backlog of wheat for which they are seeking sales. I remember hearing the Prime Minister of Canada (Mr. Trudeau) on television, during a certain event a year ago last May or June, speaking in Winnipeg and admit that Canada had not done a good job in selling wheat in recent years. I took for granted he was saying to the western farmers that his government would do better, and that he recognized there was a lot of room for improvement in the way things had been handled.

We had a world wheat agreement for a year. Now we have an agreement in respect of which the minister seems to be helpless in either enforcing it or getting anything done about violations of it. I do not want to be unfair to the minister but I think it is correct to say that for the last two or three years Canada has been trailing along behind developments, has been following the market downwards, and has fallen behind others who have made wheat sales. Canada has reduced its price, but so far as we can judge we have derived very little benefit from that process.

• (3:40 p.m.)

It is important to understand the true nature and the dimensions of the present crisis, much of which had its origin in 1966. The federal government has had its responsibility since then for developing policies to meet the coming crisis but it certainly has not discharged that responsibility despite the assurances of the Prime Minister a year ago that such would be done.

In 1966, for example, the United States made a number of changes in wheat policy which adversely affected Canadian growers. These were obvious at the time but our government did not act. The United States wheat acreage allotment was increased by about 30 percent, and it adopted a modified two price policy in order to grasp commercial markets.

It is correct that in 1967 and 1968 the United States was a major exporter of wheat while total world exports declined by about