

International Wheat Agreement

steady markets and protection against price collapse.

While it is desirable that the agreement should be universal so as to provide the maximum degree of stability to markets and prices, it can function without all countries being members. It has functioned, for example, without the Argentine. Moreover, the present agreement by no means covers all the wheat moving out of agreement countries. This crop year Canada will probably sell 235 million bushels within the agreement and around 160 million bushels outside the agreement.

If the United Kingdom or any other country does not join the agreement, the exporting countries will adjust their guaranteed quantities before the beginning of the new crop year. While the Canadian quota is fixed at 250 million bushels, this quantity would be reduced so that Canada would be in a position to supply the United Kingdom or any other country that does not join.

There has been criticism of Canada's participation in the new wheat agreement from two sides. There are those who say that the maximum and minimum prices are too low. On the other hand, there are those who would have gone still lower in order to bring in the United Kingdom. The Canadian government tried to get the importers to agree to higher prices. But we were not successful. After consulting the farm advisers who were on the Canadian delegation, Canada decided to go along with the other exporting countries in accepting a minimum of \$1.55 and a maximum of \$2.05.

On the other hand, the government was satisfied that this was the lowest point which should be accepted. The farm advisers shared this view. And it must be borne in mind that Canada was only one of the negotiating parties. The United States delegate made it abundantly clear that he would not recommend a lower maximum price to the United States senate. While all countries do not have to be members, an international agreement without the United States would be like Hamlet without the Prince of Denmark.

I shall not at this time enter into a discussion of all the technical details of the new agreement. Apart from the prices and quantities, the changes from the present agreement are relatively unimportant. Carrying charges which have been 6 cents under the present agreement will now be included in the price. This means that the new maximum is about 19 cents above the maximum in the present agreement. At the minimum, carrying charges could not be collected in any case, so that the new minimum is 5

cents better than the minimum of 1949-50, 15 cents higher than in 1950-51, 25 cents higher than in 1951-52, and 35 cents higher than in the present crop year. The new agreement is not a perfect document. It is and must necessarily be a compromise. But with all its imperfections I commend it to the house. The international wheat agreement has given stability to prices and markets, and I believe it will continue to do so.

Mr. J. A. Ross (Souris): Mr. Speaker, I have listened with some interest to the minister's address on the new international wheat agreement. He ended his remarks by saying that it is not a perfect agreement, but I should like to say that I believe it is very disappointing to the great majority of farm producers. He talked about security and stabilization. We have had some experience in this respect both under the United Kingdom-Canada agreement and under the prevailing wheat agreement. On the basis of the difference between the price for class II wheat and what the farmers actually received in these periods, such agreements have cost the farmers in the neighbourhood of \$800 million. To my mind that is quite a price to pay for the system of stabilization that is being sought.

Mr. Sinnott: How do you base your facts?

Mr. Ross (Souris): If the hon. member for Springfield had been listening he would have known that I said that it was on the basis of the average prevailing price of class II wheat during these periods and what the wheat producers actually received. Is that satisfactory?

An hon. Member: That is no reason.

Mr. Ross (Souris): These are facts and the facts are borne out by the wheat board reports during these years.

Mr. Studer: You cannot substantiate that at all.

Mr. Speaker: Order.

Mr. Sinnott: That is just political propaganda.

Mr. Ross (Souris): These are facts substantiated by the statistics issued by the minister's department, and they cannot be refuted.

Mr. Sinnott: Are you against the wheat agreement?

An hon. Member: Shut up.

Mr. Ross (Souris): I shall be very pleased to hear these hon. members make their own speeches on the international wheat agreement.