

Dr. HUDSON: I think on this point, Mr. Chairman, I should clear this up. 420 million would be the translation of these minimum percentages in terms of bushels, but we must remember, of course, that the actual imports of these countries from the countries which are exporters under the wheat agreement will be much larger than this.

Senator LAMBERT: You can take it another way, and say that the countries which have exportable surpluses might regard 420 million as the minimum figure—

Dr. HUDSON: That is right, sir.

Senator LAMBERT: —which would be required by the importing countries?

Dr. HUDSON: Yes, sir.

Senator LAMBERT: Now, that is a very important figure in relation to the questions Senator Macdonald has been asking, and it might be more, as you say, and if it is then it would be all to the good because there is always much more exportable surplus than 420 million.

Dr. HUDSON: This quantity is not a guaranteed quantity in the same sense as under the present agreement. For example, let us take the case of South Africa. If it produces enough for its own requirements, as it did up to one or two years ago, then it is not obliged to import anything, but should it have to import then it agrees to take this percentage of its import requirements from these exporters. Now, the 420 million that we mentioned is based on the average of the last four years, which is a fair expectation.

Senator LAMBERT: If we boil the whole thing down do we not get this picture that it is on a desired basis of co-operation amongst the exporting and importing countries—

Dr. HUDSON: Yes, sir.

Senator LAMBERT: —rather than a fixed practical plan of marketing?

Dr. HUDSON: Yes, sir.

Senator LAMBERT: Yes, that is the whole point. It is an attempt to rationalize a very difficult problem; that is all.

Dr. HUDSON: Yes. As a matter of fact, Mr. Chairman, for the importing countries to obtain their normal supplies they must take considerably larger quantities than are mentioned here. These are minimum quantities, and they will, in fact, take larger quantities.

Senator MACDONALD: The United Kingdom will take 30 million more. They are bound to take all their requirements under this agreement with the exception of 30 million which, I understood you to say—

Senator LAMBERT: It is 80 million, actually, They are taking 80 million from us, and 100 million from the rest, just on the basis of the tentative figures.

The ACTING CHAIRMAN: I take it from what you said a while ago that when those in charge of this whole transaction are considering the requirements of exporting countries, and the percentages they must take, they differentiate between commercial transactions and special purchases?

Dr. HUDSON: That is very true, Mr. Chairman, and it is one of the main points in this agreement as compared with the old agreement. The old agreement did not take into account the special transactions under the United States' program, or various other program by which wheat is supplied on a concessional or gift basis. Under this new agreement, while these percentages only refer to commercial purchases, it is provided, nevertheless, that all transactions between the exporting countries and the importing countries will be recorded. So that in this way the secretariat of the International Wheat Council will have at their disposal and for the information of members, as complete a