

Supply—Agriculture

It follows, therefore, that communist China is not buying grain from Canada because she wants to foster the development of a long term trade relationship between the two countries. On the contrary, she is buying our grain because famine has forced her to do so. In point of fact, China has already undertaken a massive back to the land program and is trying to establish a limited form of private market garden farming. If these moves succeed, and if the weather and elements are kinder, China's food crisis may end and with it the need to import food-stuffs. Even if this crisis does not end, the prospects of China as a long term grain customer are certainly not much brighter. Ever since the projected great leap forward turned into such a staggering mess, the Chinese economy has been in desperate straits. Sales by the Chinese of remelted bullion on the London market suggests that the regime is scavenging up the last scraps of jewellery gold in order to pay for the grain. Stated very simply, no amount of trade concessions on Canada's part can solve China's basic problem, the feeding of 670 million people, and China cannot do that herself.

I have never looked upon the sale of wheat to China in the past as having any moral implications. I have looked upon it as a straight commercial deal, but if China continues her aggressive actions against India and other allied or neutral nations we may have to revise and reverse our thinking along this line. In my opinion this would not be the time to bow to Chinese pressure to open our markets to Chinese products that would sell in Canada, not at an economic price but at a political price.

We have been able to sell wheat to China because we have been competitive both as to price and as to the terms we were willing to accept. Those countries which have wheat to sell besides ourselves are the United States, Australia, Argentina, France, and I believe to some extent Germany. United States policy precludes that country from selling to China, and Australian policy of high protection for its home industries makes it seem very unlikely it would make any deal of this kind. The same applies to France and Germany within the common market.

I believe we can continue to compete with these countries as we have in the past, and I repeat that the present is no time to bow to this type of pressure which would destroy the employment potential of the very important Canadian textile industry. One of the great problems facing us today is to reduce and minimize unemployment. Every member in the house knows that and it has been spoken about on many occasions, but it cannot be

[Mr. Chaplin.]

accomplished if we deliberately destroy or impair important segments of our industry.

In closing I would say let us by all means continue to try to sell wheat to China, which, if it is paid for, demands dollars which might otherwise be spent by the Chinese for further armaments which in turn might lead to further military aggression.

Mr. Argue: Mr. Chairman, at the beginning of our proceedings this morning references were made to the fact that this is the birthday of Right Hon. Winston Churchill, and that it is St. Andrew's day. I should like to mention that it is also the birthday of the late Right Hon. J. G. Gardiner, who spent such a long and useful life in very high offices serving the people of Saskatchewan and the people of Canada. Much of the agricultural legislation on the statute books of the country, and many of the items with which we will be dealing today, are products of the great efforts of the late Right Hon. J. G. Gardiner.

We are discussing item 1 of these estimates, but most of the discussion so far has dealt with the speech made by the Minister of Agriculture in Regina a couple of weeks ago. That indeed was a strange speech and, in the words of the minister himself, received a reaction for which he was not prepared. He said "Little did I realize how far that discussion would go." In the recent general election campaign the minister painted a very glowing picture of world markets and the prospects for Canadian sales. He is quoted over and over again as saying "You produce it; I will sell it. Produce 600 million bushels of wheat if you can and I will sell it. Use fertilizer, use every possible modern technique to increase production, and I and the Conservative party will have markets waiting for you."

On May 16 the minister is reported as having said in Nanton, Alberta, according to a Canadian Press dispatch "You cannot grow wheat fast enough to fulfil our commitments." Now, however, he has gone out to Regina and told this very important farm organization that we are in trouble with our overseas markets. He says conditions are so bad that all we will be able to export are 300 million bushels. There is no more talk of 600 million bushels and no more talk of "Grow it and I will sell it."

The minister has accused the Liberal party of preaching doom and gloom. The doom and gloom are in the speech which the minister delivered in Regina, and if the minister went out there to shock the farmers of western Canada into discussion, then he was completely successful. A number of us have been saying for some months past that there was very great evidence that we were running