

Canadian Wheat Board Act

reasons for what he did in that connection, unless he expects a warmer reception than he had the last time.

An hon. Member: The west knows you, Joe.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: I remember the days when the Liberal party did not think that Saskatchewan was worth a dam. We brought about the payments for farm stored wheat, and we opened a new hope for agriculture in western Canada.

Now, when speaking of the sale of wheat, the minister says that nearly half of Canada's wheat and flour exports are shipped to Sino-Soviet countries, to most of which it is necessary to extend credit in order to do business. The policy of selling wheat with government assistance was implemented 15 years ago when 5.5 million bushels were sold to Yugoslavia. That was 5.5 million bushels. I remember so well, when we said that arrangements were being made to guarantee the sale of wheat to China, that members of the Liberal party—and those members do not sit opposite any more, they are gone—got up and said that it was ridiculous. At that time the President of the United States said, "You are not going to sell wheat to communist China." That is what he told me.

An hon. Member: He said it was treason.

Mr. Diefenbaker: I pointed out that Canada's policies would be determined here and not in Massachusetts, or even in Boston. But the hon. gentlemen sitting opposite ridiculed the idea.

I have before me the Searle weekly report No. 13 dated Monday, December 12, 1966. The letter observes:

—"important as it may ultimately prove to be, it would be a mistake at this stage to regard Canada's sale of a single cargo of No. 3 Northern wheat to communist China as anything more than an interesting development".

Had the government of which I had the honour to be the head not decided that one could trust the communist Chinese to repay their debts, there never would have been any wheat sales to communist China. Someone suggested that we had taken a tremendous chance. My experience over the years in the ordinary affairs of business and law convinced me that when a Chinese gave his word, he kept it. That view affected the sale by the wheat board. Had a Liberal government been in office there never would have been that sale. The Liberals opposed it; they

[Mr. Diefenbaker.]

ridiculed it; they condemned it. I heard them saying not only in the house but over the radio how ridiculous the sale was. Heresy has now become orthodox. As the minister said, half of our wheat and flour goes to Sino-Soviet countries.

The minister also mentioned other countries such as Yugoslavia, Bulgaria, Hungary, East Germany, and mainland China. These countries represent a market for over 20 per cent of our total exports. Mainland China, under long term agreements, is the second largest purchaser in the world of Canadian wheat. I am glad that this government has followed the course that it has followed. What it condemned it now accepts. The illegitimate child—that is how they regarded the wheat sales to communist China—in the intervening years has had established for it by the minister the paternity of the Liberal party. I thought that I ought to set the record clear in this regard.

● (4:00 p.m.)

I should like the Minister of Agriculture in particular to bear in mind when he visits the western prairies that he should not try telling the farmers the fiction that he or his government had anything to do with the sale of western wheat. If he does, all I can say is that his pastures will not be "greene". I have reviewed the redemption of the Liberal party in this regard. The wheat board was condemned in 1935. The Liberal party, through Mr. Mackenzie King, a western representative from Prince Albert, took the stand that the wheat board should not operate more than one year in advance. They succeeded in securing an amendment to that effect because the legislation had to be carried out. They had in mind, when giving it support in July, 1935, that they would torpedo it at the first opportunity—and they did.

The sales of wheat that have been made and the contribution by the wheat board in securing markets have given hope to the western farmers. They have not forgotten, though, that while 21 cents is the maximum increase in the price of wheat under the new international agreement, two years ago 17 cents was cut off their price. The result is that the wheat farmers of Saskatchewan, Alberta and Manitoba received an income in those two years of about \$190 million less than they would have received because of the action of this government.

Some hon. Members: Shame.