

*The Address—Mr. Ritchie*

emergency measures to maintain a fair price for the Canadian producer.

This chaotic state of the market was supposed to be ended by the implementation of the provisions of the international cereals agreement last July. Canadian wheat producers were led to expect that things would return to normal, with Canada automatically picking up her old markets and customers at the new minimum price of \$1.95½ per bushel, a figure 21 cents above the old price of two years ago.

What Canadian wheat farmers and the officials of the Canadian wheat board who are responsible for marketing our wheat found out, however, was that there was no easy way back to the old conditions. In the year of freely changing prices and lack of international agreement, conditions have changed greatly. The new world wheat agreement came into effect, but it failed to work either smoothly or effectively. In fact, things have now reached such a pass that many experts are predicting a total collapse.

In the past two years, Canada has grimly attempted to maintain a decent minimum price for wheat in the face of unrestricted dumping and price cutting, even by such ethical exporters as the United States. Since last July when the new world agreement came into effect, she has valiantly attempted to maintain the new world minimum of \$1.95½, but apparently with little success. We have the satisfaction of sticking to our international bargain, but we are not selling wheat.

We are in great danger of being isolated. Our customers are changing, our competitors are changing, and only we remain the same. Can we survive by clinging stubbornly to traditional patterns in a world of such swift change? Under the old international wheat agreements, the international market was fairly orderly. The subscribing nations, both the importing and the exporting nations, abided by the terms and conditions laid down. Today, barely three months since the new type of international agreement came into force, there is widespread bickering and increasingly bad blood between countries. France and Australia have been accused of price cutting. The United States has so far abided by the agreement, and so has this country. However, she has sworn to move 750 million bushels of wheat abroad this year, and if her competitors have found a way around the international minimum price, we can be very sure the United States will also.

[Mr. Ritchie.]

Now, let us look at our customers, the traditional markets abroad for our wheat. India aims to be self-sufficient and to cease importing wheat within three years. Pakistan is striving toward the same goal. The Japanese market has been largely lost to France, mainly on the basis of a price which we disdained to meet or were too proud to try to meet. In Great Britain, Holland, Belgium, and also Italy to a certain extent, changing tastes have dictated changes in the types and grades of grain that will be purchased. The high quality wheat for which Canada is so justly famous, and which forms a large part of our exports, is in less demand. Then, too, the importing nations are attempting by every possible means, and very successfully in some cases, to improve their own agriculture in order to provide their own needs and conserve foreign exchange.

This, Mr. Speaker, is the ominous picture we must face now and in the foreseeable future. I do not think we can face up to it successfully if we only do those inconsequential things suggested in the speech from the throne. We expend far too little in the way of research money and effort in support of our grain industry. When we consider the vital role the grain industry plays in our national economy, the amount of money expended is trifling. So far as I can determine, and judging from recent discussions among western agricultural representatives, we have done nothing at all in the field of marketing research. In any other industry, particularly an export industry, a very large proportion of the annual budget goes to supporting marketing and market research. In the wheat industry, the individual producer is not in a position economically or technologically to undertake this tremendous task. It must be done by the federal or the provincial governments, together and singly.

I should like to see our new Minister of Agriculture (Mr. Olson) bring in a measure to ensure such vital basic support to the industry. I hope he will not procrastinate and put off doing anything on the excuse that he is waiting for a recommendation from the new national grains council yet to be set up. These are remedies that are needed quickly. If he waits for an as yet unestablished body to be set up, to consider the problem, make studies and finally come up with recommendations, he will find that Canada has ceased to be an exporter of wheat and has become an importer instead.