

believe that our troubles really arise from under-marketing rather than over-production. In saying this I am entirely in agreement with a very interesting statement made recently by an expert observer, a former member for several years of the present Wheat Board, who said:

The squeeze between the costs of things farmers buy and the prices received for their products remains troublesome—although possibly not so apparent to the farmers themselves as to the farm leaders, who watch the price indexes. The obvious and important squeeze, however, lies between production and market capacity. A good case can be made for the idea that our troubles arise from under-marketing rather than over-production. In the years immediately ahead, our efforts must be turned to marketing and consumption if our agriculture is to grow normally.

In that connection, I thought the Leader of the Government spoke pretty strongly, before he sat down, regarding the responsibility for the great mass production of wheat which remains unmarketed in western Canada. I thought he implied that that condition was due to the administration of the previous Government. I am not going to engage in any partisan arguments on that score, but I do submit very strongly that the record of yields over the years since 1952 shows an abnormal bountifulness of nature, in all but one year, which raised the average production of wheat from the thirty-year average of 17 bushels to the acre to something like 25 to 26 bushels to the acre. The present year has seen a considerable reduction in that amount. There has been an acreage reduction in western Canada of, if I am not mistaken, 5 million acres as compared with the previous year; and the yield per acre has been less than in the previous year. Therefore, to a certain extent, but not to any material extent, the position is somewhat improved over what it was a year ago. However, one must admit that with the amount of grain in storage in elevators and on farms, and with the new crop coming in, there are about two crops instead of one to be marketed.

But, whatever may be the purpose involved in the bountifulness of nature bestowed on this country, at least we are attempting here in this Parliament to deal with the matter in a rational way with a view to finding a solution to the problem. I think there is nothing to be gained in approaching the problem by indulging in any recriminations as to the character of political administration in relation to a problem which is economic in its broadest sense.

To follow up the quotation which I have just made, my firm opinion is that sufficient attention is not being paid in Canada to the positive, creative phases of the marketing

of surplus production. We are showing too great an inclination to criticize other people for lack of markets and lack of trade. To go over to New York or Washington, for example, with our hat in one hand and a club in the other, complaining about the way in which the commercial and financial economy of the United States is being run, is becoming a humiliating spectacle to many Canadians and, one suspects, increasingly irritating to many of our good friends in the United States.

**Hon. Mr. Macdonald:** Hear, hear.

**Hon. Mr. Lambert:** We are hearing much these days about pooling of resources between countries with common economic as well as common military interests. An announcement from Washington a week or so ago by President Eisenhower, joined in by the Prime Minister of England, and with an implied inclusion of Canada, indicated the pooling of scientific resources and research within these allied countries in the interest of national defence. We have read a good deal about the pooling of economic and financial resources under what has been known as the Western European Union affording a common free trade market for Britain and Western Europe.

We know full well what pooling of our resources with those of the United States meant during the last war, not only in an effective military effort, but in a financial and economic measure as well. Much of our ability to finance our way through that war on a pay-as-you-go policy, amounting to nearly 55 cents on the dollar, was due in a large measure at any rate to the fact that we were manufacturing things like aeroplanes and ships which were sold to the United States and paid for within 30 days of delivery. Not much is said about that arrangement now; but those of us who remember the negotiations that took place at Hyde Park and Ogdensburg between the late Prime Minister of this country and the President of the United States have good reason to be proud of the relationship that existed at that time, and also can take some encouragement from the suggestion that such a relationship is still possible. This is likewise a time of a real and pressing crisis, when it still may be possible to adopt a measure of the pooling of material resources at least, between this country and our good neighbour to the south. As I have said, we know what such a combined operation with the United States meant to us during the Second World War. I submit that Canada now might well afford to adopt a more positive and more liberal policy of pooling rather