

*International Wheat Agreement*

of trade among the signatory countries. That is a very desirable thing, but this is nothing more than a mere pious expression of intention. The only effective way by which this could be given effect to would be for the signatories themselves to take steps in their own domestic policies toward a freer world trade and the expansion of world trade itself. The mere statement of these objectives should not be misconstrued.

In many respects this particular treaty is a victory for a buyer's market because of the cut-back of 10 cents. I know the minister would join with me and with any who speak on this measure in indicating that while there is a cut-back of 10 cents, it should be the policy and the aim of the government, having in mind the interests of the wheat producer, to keep the price at the ceiling. I emphasize this because of a press report which I saw in the *Ottawa Journal* of March 11 of this year under the heading:

U.K. Minister Sees Cheaper Wheat From I.W.A. Pact.

The article goes on:

British agriculture minister John Hare said last night the international wheat agreement reached yesterday in Geneva should pave the way to cheaper wheat.

A little further on it says:

Britain, by far the largest wheat importing country, has said the revisions in the new agreement meet all her objections to the agreement of 1953 and 1956.

Well, what may be Britain's objective and Britain's interest may not necessarily meet the objectives and the interests of the Canadian wheat producer. In any event, I suppose because of the world surplus situation, the present ceiling may be the price level most easily attainable; but I think it is important for us to bear in mind that for the admission of Britain, desirable as that is, we have had to pay some price.

It is argued by some that as a result of this cut-back the Canadian wheat producers may have lost some prospective buyers. If he replies possibly the minister will be able to comment on that point.

I notice that the number of participating countries has dropped from 42 to 36. I do not think the minister gave any explanation of that, and perhaps he would be good enough to do so when he replies.

This treaty, of course, recognizes the value of the principle of multilateralism in world trade as opposed to the operations of a free market. There will continue to be the usual arguments by those who feel that the latter would bring about a better price for the producer; but speaking for myself, certainly I believe this multilateral approach

is more orderly and more inclined to bring about in the long run the kind of satisfaction of interests we desire, not only for the peoples of the world but for the Canadian wheat producers themselves.

**Mr. Argue:** May I ask the hon. gentleman a question? Does he not think the multilateral arrangement to which he refers would also bring about a better price than a free market in certain circumstances?

**Mr. Martin (Essex East):** Personally I am inclined to think that is the case, and that is what I meant when I said I think an orderly arrangement as the result of such a collective effort would likely have greater consequences for the wheat producers as well as for the other countries of the world involved in the two considerations, which I think go hand in hand.

I wonder whether the minister can indicate whether we are simply going to get 80 per cent of Britain's requirements, because my examination of this situation indicates that in recent years 97 per cent of Britain's wheat purchases were made from the major wheat exporting countries who continue as signatories to this treaty, notwithstanding the fact that Britain herself was not obligated to any of the requirements of the last two international wheat agreements.

I think the minister ought to indicate to us what will be the effect of the new European common market on exports by major wheat-producing countries. Moreover, it seems to me that the minister has not fully satisfied the committee when he speaks of the new powers given to the council with respect to the supervision of surplus disposal programs. It is true that we argued that under GATT there was a violation, at least in spirit, in the surplus disposal programs, particularly of the United States. But I am not convinced that this new treaty will or does provide for a greater measure of public scrutiny, that it really does go further than the situation that prevails under the existing treaty. I note that, while in part VI, article 21, there is provision for an annual review of the practices in connection with wheat disposal, in the final subsection of article 21 the following appears:

Nothing in this article shall prejudice the complete liberty of action of any exporting or importing country in the determination and administration of its internal agricultural and price policies.

It should not be forgotten likewise that in the agreement that comes to an end on July 31 there is provision for a periodic review of surplus disposal operations, just as there is, in effect though different in form, in the new agreement.

I think all these questions of the supervision of surplus disposal products are very