

*Agricultural Products Act*

I am still reading the views of this newspaper.

It was from Canada, particularly British Columbia, that Britain drew her supplies of timber during wartime when no others were available. . . . The British government prefers to set up new trade arrangements with Russia, Poland and other European countries. . . . If Britain is going to get most of her wheat from Russia, and her softwood from Poland, and her cheese and bacon from Denmark, and is going to refuse offers of a few million dollars' worth of Fraser valley poultry products each year, then the Canadian economy is going to be heavily affected.

Then I quote one other statement by Mr. Ferguson in the *Daily Telegraph*:

The division of the main world trading area into dollar and sterling blocs leaves Canada hopelessly straddled between the two.

Then in the words of the *Times*:

A gloomy feeling persists that Anglo-Canadian trade is being sacrificed to an international exchange problem.

I have one other authority, who has often been quoted in this house. I refer to Mr. Strachey, who pointed out that the United Kingdom has forty long-term contracts with different countries, and then had this to say as to the effect of this situation on prices:

"The prices of essentials are lower under the bulk-purchase system used by the government than if they are left to private dealers," he said.

Then he is reported also as follows:

But "moderate and steady decline" in primary producers' food prices is above all of "great interest" to Britain, he continued. It is important that her long-term agreements now being made should not prevent such a decline.

I mention these as the views of the Minister of Food over there with respect to the effect of such policies on prices.

**Mr. Gardiner:** He is speaking of a decline in the cost to the consumer in Britain.

**Mr. Bracken:** That is right; but if Britain buys her supplies here at lower prices that will be reflected in lower prices to producers in this country.

**Mr. Gardiner:** That is not what he says. He says that government buying cuts down the cost, as compared with private buying. I am not saying I agree with him, but that is what he says.

**Mr. Gillis:** He is absolutely right.

**Mr. Bracken:** Well, I will just read again what I have here as to what Mr. Strachey is reported to have said:

There are forty long-term contracts in force, ranging from one to ten years in length. He added that it could be shown that long-term contracts had "prevented this country from having to pay prices for essential foods over the past three years which would have been ruinous to have paid."

What he is saying, in my judgment, is that long-term contracts enabled them to get their food at lower prices.

[Mr. Bracken.]

**Mr. Gardiner:** Yes, lower prices to Britain.

**Mr. Bracken:** The report continues:

"The prices of essentials are lower under the bulk-purchase system used by the government than if they are left to private dealers," he said.

And further:

But "moderate and steady decline" in primary producers' food prices is above all of "great interest to Britain."

I am glad the minister interrupted me, because this statement is even stronger than I thought. In Mr. Strachey's view that method of purchasing—

**Mr. Gardiner:** If you will follow that through you will find he says they are subsidizing the producers in their own country to avoid that.

**Mr. Bracken:** He is probably correct in that statement. But the report goes on:

But "moderate and steady decline" in primary producers' food prices is above all of "great interest to Britain." It is important that her long-term agreements now being made should not prevent such a decline.

I do not know what could be clearer than that.

From what I have said I think it is clear that the loss of the British market may easily bring about a reduction of prices in Canada, if not a collapse. Britain has taken nearly half our exports, more than the United States has taken, but she is taking less and less each year. No other country is yet willing to take our surpluses. If no other country takes them, prices will fall; and if all other countries take less, the problem will be how to use our surpluses, or how to prevent them from damaging our economy.

In my judgment the government is failing to keep the British market. In my judgment the government is responsible for the situation we are now facing. It chose its course; it took all the wide powers it desired. It has failed to hold our wartime markets. Perhaps it was too much to expect that we would hold them all, but certainly we were led to hope that we would hold many of them. It is likely to lose at least a part of our pre-war markets. In the days ahead this country will pay a high price for this failure.

**Mr. Burton:** In your judgment, then, what should be done about it?

**Mr. Bracken:** My hon. friend is a little impatient. If he would like to complete his education in this respect I suggest that he come around to room 561 and I will prescribe for him. But since the hon. member has raised the question of what to do, I want to refer to one other authority before I attempt to answer. I shall quote from a speech delivered