

Supply—Trade and Commerce

to the U.S. farmer it has sold abroad at considerably lower prices. The U.S. taxpayer has footed the bill.

He goes on to say:

They admit the Canadian farmer has been the sufferer. But they commend Canadian determination to avert the chaos which would result from a Canadian move to undercut the U.S.

They have bought U.S. wheat at lower prices, on credits and in barter deals because even nations cannot afford to look gift horses in the mouth. But lower prices have brought the U.S. lower prestige in world markets and with them fear of the consequences of a price war spreading.

It has been said by the previous government and by this government that we cannot enter into competition with the United States, with their great economic power, in these give-away policies. The United States, apparently encouraged by that attitude that we cannot undertake to compete with them successfully, are following a policy designed simply to get rid of their surplus, regardless of its effects upon their closest ally, Canada.

I have an article which appeared in the *Financial Post* of November 23 and which indicates that because it was said that the barter deals were the most effective way in which to get rid of wheat, there is now a real pressure on in the United States to have a policy of barter deals again. One official in Washington apparently told the *Financial Post*:

If your people in Canada had not talked so much about getting rid of the barter deals, there wouldn't have been all this trouble now.

It is forecast that legislation will be brought in at this coming session of congress to re-introduce barter deals. What does this mean to our Canadian farmer? He is in competition today not with other producers of wheat but with the treasuries of the various countries where is he trying to sell his wheat through subsidized competition within the consuming and subsidized exports by the United States.

Mr. Blackmore: Will the hon. member permit a question?

Mr. Tucker: When I am through, if you do not mind. Mr. Graham Spry agent-general for Saskatchewan in the United Kingdom is, I think, an acknowledged expert in these matters. He said this recently when he was visiting in Saskatchewan:

Subsidized agricultural exports are universal. The world wheat market is a taxpayers' market and the subsidy on competing wheats, in some instances, is higher than the average price per bushel to the farmer at his elevator point in western Canada.

Then he goes on to say this:

The United States, under barter arrangement, exports significant amounts of grain to countries to which Canada normally exports wheat. As important as the price-squeeze on prairie net farm income, is the squeeze through trade barriers

erected by importing countries and subsidized sales by exporting countries. The problem of surplus disposal is not just a matter of salesmanship; it is much more a matter of negotiations between governments. Almost three-quarters of United States' exports last year came under provisions of public law 480 but, even in ordinary commercial transactions for the balance, prices to importers were subsidized. Dark and northern spring wheats had a subsidy of about eighty cents per bushel. France, Sweden, Turkey and Argentina all sold wheat in the world market at subsidized prices. The Canadian farmer and the Canadian wheat board are, as a result, competing with taxpayers in other countries, rather than competing with the producers.

If we get the Canadian farmer in the position where he is obliged to compete with people who are subsidized to the extent of as much as eighty cents a bushel, the question every Canadian, regardless of party, must be asking this government is this: "What are you going to do about it?" We are told that the actual net income of Saskatchewan farmers this year will be down 50 per cent from that of last year. I ask anybody who thinks about these matters what would happen if you were to say to the labouring force of Canada, "Your income is going to be cut by 50 per cent"?

Mr. Hahn: What are you dealing with?

Mr. Tucker: I am dealing with the situation as it is today. I deplore this idea of trying to play politics with this most important matter.

Some hon. Members: Oh, oh.

Mr. Cardiff: Imagine that remark coming from you.

Mr. Tucker: Maybe so, but I will tell you this. The people of Canada are not going to be satisfied with politics being played in this matter. They are going to want really constructive action and that is what I am trying to bring forward.

Mr. Bell (Carleton): That is why you are sitting over there.

Mr. Tucker: Yes; and it is probably why you will be sitting right outside of the house if you do not do something about it.

Mr. Bell (Saint John-Albert): We will be here long after you are gone.

Mr. Tucker: You people were elected on promises to deal with this problem and to solve it. We should like to see some evidence that you are going to do something about it. What have you done to date about this matter in addition to what was being done previously? You say that we cannot compete with the United States. Take, for example, what probably our farmers today, on the average, will get for their 1956-57 crop. They will receive about \$1.29 on an