

Supply—Trade and Commerce

those conditions are brought about by the surplus itself. We were disappointed, therefore, last evening when the Minister of Finance failed to indicate any provision was being made in the baby budget for bolstering farm income. I am sure that if the responsible government officials are aware of the present farm situation, and if they are not aware of it it is time they became fully acquainted with the problem, they would be taking steps to correct the farm price relationship. The factor that will probably cause them the greatest concern is the fear of political revolt on the part of the taxpayers when called to support the farm economy.

Therefore it becomes increasingly more important not only for the farmer but for the government as well that these surpluses be disposed of, because when the surplus is disposed of and no longer has the depressing effect on farm prices then prices will automatically be forced up by demand and the farmer will gradually work up to a parity position in the market place. Consequently, sales are still our basic problem and it will behoove the minister to be as aggressive on this problem as he was before he became the minister. The longer the surplus remains, the longer the taxpayer will have to give direct aid to the industry. Therefore it becomes politically expedient for this government to take immediate action through the Department of Trade and Commerce.

Mr. Olson: I too should like to join with the many in wishing the Minister of Trade and Commerce well as he begins to deal with the problems that go with a department as large as the Department of Trade and Commerce. As many other members have indicated, the action taken by the Department of Trade and Commerce is probably more important to the farmers in western Canada than that of any other department. I should like to deal briefly with the general situation and also with the developments that have taken place with regard to the market situation of our wheat and petroleum industry.

I am very happy to hear the minister's high praise of the officers of his department and also to hear his high praise of and favourable comments on the activities of the trade commissioners in the various parts of the world. I too think that they are doing a good job in so far as our trade policies allow.

We are also happy to hear the minister tell us of the trade mission to the United Kingdom. We are happy to hear him say how well it is being received, and to speak about the enthusiasm of the British firms in meeting with this trade mission, about the number of people who have met this trade mission, and

generally the interest that has been shown. But I failed to detect in his remarks any definite or specific corrective policy or anything to indicate just what they were going to do to increase our trade. He mentioned, of course, that they were going to buy or to attempt to place larger orders in the United Kingdom; and of course it follows that that course will possibly lead to the United Kingdom's placing larger orders in Canada. I was greatly interested in the remarks of the hon. member for Victoria-Carleton, I believe it was, who suggested that they had high hopes for this mission, that they would be able possibly to increase this trade and that out of this delegation would come certain things that would in fact increase the trade.

I was, however, under the impression that this government had a trade policy before this mission went to Britain and that it was not dependent on what would come out of this mission. We know, of course, that there has been a declining market with regard to our wheat. I fail to find in his remarks anything that would have a tendency to correct that situation. I admit that this new government inherited a wheat trade problem. But whether they inherited it or not, the fact is that the problem is now theirs, and we look to them to bring about some change in trade policies that will correct it, other than trade missions. It was a declining market before this government took over and it still is a declining market. For example, I should like the members of this committee to know that the flour milling industry in my own constituency is down. Local flour mills are dependent on export markets for full production. This local production is down 50 per cent in the past three months and, according to a committee meeting that was held recently, prospects for increased production are not good.

One thing this new government has in its favour, I think, is that the wheat we have to sell now from this year's production is a more acceptable product to the European countries, particularly Great Britain. The protein content is up. I have seen press reports—although I have not one here with me—to indicate that British millers have indicated that they think this new 1957 crop should be easier to sell.

Mr. Benidickson: May I ask the hon. member a question?

Mr. Olson: Yes.

Mr. Benidickson: It is in relation to his constituency flour mill. I also have a flour mill in Keewatin. I was going to ask the hon. member if he had ever been informed