

There is little that can be said in predicting our future durum production. The market seems to be strong, with several Eastern European countries now regularly buying. If the EEC should move to require the use of durum for the manufacture of pasta products, we can expect something like a 50 per cent increase in world trade in durums. Although this proposal is still a long way from general acceptance by the EEC members it is a very pleasant possibility for contemplation by durum growers in Canada and the U.S.A. With our flexibility we will always be able to expand or contract production as the export market dictates. If we can continue to carry over 20-25 million bushels a year, we should be able to avoid some of the "feast or famine" aspects of the durum market in the post-war period.

I would like to wind up this brief survey of the Canadian outlook with a discussion of what I believe to be the most difficult problem facing us in the immediate future. We are now within sight of a billion bushel wheat crop and this could, in my opinion, be reached within the next few years without resort to hybrid wheat or to high-yielding dwarf spring wheats of perhaps dubious quality. We are constantly bombarded with statements about the world population explosion and with projections of the greatly expanding need for cereals to "feed the starving masses of the world." We know that to reach export figures much in excess of those we have achieved in the past few years we will have to seriously overhaul our present handling system. And our economists, in the main, are predicting that there will be ready markets for all we can produce. Now I think it has been pretty obvious for some years that there have been "ready markets" for all the wheat we have carried over from year to year in Western Canada, the only problem has been that these "ready markets" have not been in a position to pay for the wheat, and the heavily burdened Canadian taxpayer has been in no position to give it to them. While our food aid program has been expanded in recent years, it will be a very long time before we are financially able to underwrite gifts of 200-300 million bushels of wheat annually. Our farmers are only too willing to respond to the challenge thrown out by the economists—grow all you can to help feed the world—but our whole wheat economy is based on selling our wheat for hard currency. To export substantially more than we are now will involve large scale investment in improving our handling facilities. Are we to embark on an ambitious program of expansion without knowing how the farmer is going to get paid for his increased production? Our own foreign aid program is as generous as that of any country but only disposes of 35-40 million bushels a year. At the same aid rate, the U.S. can dispose of 570 million bushels. In reviewing our potential production, within the next five years we can see the possibility of a billion-bushel crop but we can see cash markets for only 650-700 million (including domestic consumption). The Western Canadian farmer is a pretty shrewd fellow, he has had to be to survive, and he is now looking for some guidance as to what to believe. In this, our centennial year, we are going to hear a great deal of discussion of the question "Where do we go from here?" It is interesting to note that during the present crop year, the U.S.S.R. will take 112 million bushels from Canada, while at the same time giving substantial aid in the form of wheat shipments to India and to Egypt. Is this perhaps an indication of a way out of our dilemma?