

Supply—Trade and Commerce

If the prospects of a return to the former levels and above the new I.W.A. floor are not good, it is likely that some countries which, until now, have been prepared to ratify the new agreement will choose to stall and not ratify it. As I understand it, the period of ratification falls between October 15 and the end of November, only a few weeks from now.

The course of events during the past few months have caused a critical situation, one which has been outlined by Mr. Gibbings and others who have described what took place during June, July and August when the federal government sat back and did nothing with respect to this crucial matter.

Mr. Kindt: Mr. Chairman, may I ask a question of the minister before the next speaker commences. In view of the fact that taxpayers' money is contributed by all the people in the nation, the small farmers as well as the large farmers, is the minister aware that under his method of payment most of the money will go to the big operators and the small fellows will get nothing? The fellow with 50,000 bushels of wheat will get the lion's share. That is what this system of payment means. I would like to hear what the minister has to say about that. I am also waiting anxiously to hear what the small farmers throughout western Canada will have to say.

Mr. Winters: Any deficiency there might be, and I trust there will not be very much—I hope there will not be any substantial charge against the taxpayers because we all hope and expect the price will return to a more normal trading range—will be paid to the wheat board which in turn will make the payments in respect of deliveries.

Mr. Kindt: But there is no difference between paying it to the wheat board and paying it directly to the farmers. There is just one step in between.

Mr. Johnston: Mr. Chairman, I enter this debate on wheat and wheat prices with some hesitancy. Ordinarily, someone else in this party more versed in that branch of agriculture would have spoken, but I wish to make a few comments on the subject.

It is always a pleasure when the government comes round to adopting what Social Credit has advocated over the years. A few years ago we campaigned on two-price agriculture. Now, we see that the wisdom of what we said has come home to the government, perhaps a little late but better late than

never. The previous speaker wondered why the government had delayed so long. I think it has moved rather rapidly. It has had the benefit of only two days of advice from the hon. member for Medicine Hat, and I think it has acted with great promptness on that advice. While we may regret his loss, I am sure the farmers of western Canada will appreciate the step that has now been taken.

The move announced by the minister this afternoon should bring home to some people the fact that today agriculture operates in a world market, an increasingly sophisticated market. Of course the usual moans and cries will go up that rugged individualism on the frontier is being allowed to die a little more, but at the same time there should be realization that we are in competition with other nations which, years ago, adopted policies of subsidizing agriculture in a whole variety of ways that have not been used in Canada.

We are subject to a variety of manipulations. I know this has been a good summer in Europe, and I expect in most of the Soviet union as well, but I very much doubt whether this is the main factor which has brought about the declining price of wheat. Because of the world food shortage food prices should not be declining in any part of the world. I am sure the manipulation that has been taking place has been at the governmental and policy level, and the result is not all due to the supply and demand factor.

In a way I am surprised that the Minister of Trade and Commerce and the government have been slow to act in this manner because during the last few years they were quick to act when external competition threatened the industries of the central provinces. They have been the architects of a variety of solutions to reduce competition between the United States and Canada.

● (5:00 p.m.)

I could speak of the automotive pact which constantly has been held up as something which would be of advantage to us. We know the tremendous excitement there was on that side of the house when it was felt a few months ago that the Mercantile Bank might be in a position to compete too strongly with Canadian banks. We know of the efforts that have been made on that side of the house to prevent the establishment of the Bank of British Columbia and we can imagine the glee that was felt at the demise of the Bank of Western Canada. All these are things which would lead to the economic development of the west. It is unfortunate that this