

the previous year, and he made the prediction that if western Canada has a five hundred million bushel crop this year, and other crops were correspondingly large, within six months the greater part of the unemployment in Canada would have vanished.

An hon. MEMBER: What is the date?

Mr. BENNETT: That was June 13, 1930. Others had the same view. We were all mistaken. I am not here to place the blame upon the government of the day because the farmers of the west believed that all they had to do was to grow more wheat and they would be rich; I am not here to blame them for a single moment if they believed, as the farmers did, that all they had to do was to grow more wheat and they would find a ready market for it. The then leader of the government—and I am not saying that he is censurable—believed there was always a ready market for Canadian wheat. Indeed, Canadians had always been taught that. They thought it was so, but alas it was not. There is Italy to-day producing more wheat than the specified requirements of her own people. France, since the war, has improved her cultivation; she has improved the fertility of her soil, so that she is producing more wheat on a smaller acreage than before the war. More than that, she is exporting as a matter of fact certain quantities to Great Britain. And Germany is in exactly the same position.

The French realized the seriousness of the matter, and if any hon. members are interested they can see the form of placard or poster that is being posted up throughout France in connection with the reduction of the acreage of wheat production. One of those posters I have in my hand. Other countries are taking the same position. Now, why is it? The fact is that we had no understanding of the relation of consumption to production; that is all. Yesterday I thought that the leader of the opposition was about to put the case correctly. He said, "If I had a large stock of goods what would I do?" If any of you are familiar with the book written by Mr. Henry Ford during his own crisis you will recall what his answer was: Reduce your inventories. This country has accumulated vast quantities of wheat that cannot be sold. Have tariffs anything to do with it? Nothing in the world. The increased tariff that took place in France took place before this government came into power, three times in a few months; and while I took the view that this was unfair under the treaties, it was a matter which in fact was only incidental to the carrying out of their national policy of being self-sustaining.

[Mr. Bennett.]

I wonder if the people of this country realize the extent to which the terror of starvation has seized the people of Europe. They went through a great war. You all know the conditions in England; you know what those conditions were during a few months of the war. On the continent of Europe two fears obsessed the people; one was the fear of the submarine menace and the destruction of ships that might carry grain to their ports if they were again in trouble, and the other was the fear that they would be held up to ransom in the matter of prices so that they could not pay them. They resented the idea of having to pay a ransom, and shall I make this observation in this regard. I think it is within the knowledge of some of the members of this house that some good Canadians believed that the necessity of one community was the opportunity of another. I will say something that may be misunderstood. The late Sir George Foster was the only man I know of who during the war contended, in season and out of season, against charging too high prices for wheat. He ventured always to say that in his view, if we did that, we should pay the price. Sir, we charged \$3 per bushel for wheat during the war and got it; hon. gentlemen know that. When the war was over we continued to increase our production of wheat, believing that all we had to do, as Mr. Crerar has said, was to produce five hundred million bushels and we were rich. But what were other people doing? Confronted with the fear of starvation on the one hand and the fear of being held up to ransom on the other, they at once set about improving their methods of cultivation, in some cases vastly increasing acreage, though in France they did not even increase their acreage. There they improved methods of cultivation so as to make it possible for them to grow more wheat than ever before.

Need I remind the house of something that is known to everyone. Man perfected a machine by which he extracted from the air certain nitrogenous elements that enabled him to fertilize the soil cheaply, whereas before he had to bring nitrates from Chile. Now, confronted with such a situation, what would a merchant do? Overstocked, and without any possible market, what would he do? The right hon. gentleman yesterday talked about markets, markets, markets; he said, "Go and get markets."

An hon. MEMBER: Blast them.

Mr. BENNETT: There are certain markets that can be, but this is not one. When you come to deal with wheat you are faced with