

*Canadian Wheat Board Act*

price under the international wheat agreement. The Minister of Trade and Commerce (Mr. Howe) prides himself upon being an optimist and he always tells us on this side that we are pessimistic, but it seems to me that he is taking a pessimistic view of the operations of the international wheat agreement when he finds it necessary to set a price 14 cents below the floor in that agreement. It does not look as though he has much confidence in the international wheat agreement. Although that agreement provides for a fluctuation from \$1.54 to \$1.98 the minister is not satisfied to keep the Canadian initial payment within those limits; he has placed it 14 cents below the floor established by the international wheat agreement.

If the government feared that by setting the initial payment at \$1.54 per bushel some losses might be incurred, they should remember that over the past eight years or so the prices of farm products have been kept down in the name of stabilization. If any losses were suffered as a result of setting a price of \$1.54 that would only be helping to stabilize prices as they promised to do during the years when the ceiling was maintained.

We in this group supported the international wheat agreement. If the international wheat agreement fails, in my opinion it will not be because the idea of long-term international wheat agreements is not sound; it will be because of the system of financing international trade that exists. Under the agreement, if a nation is unable to purchase its quota it can be released from its obligation. It will be our responsibility to see that we purchase enough goods from a nation to enable it to buy wheat from us. The international commodity clearing house would have provided a means by which we could have disposed of our surpluses. The government stated at that time that they were in a position to look after their own surpluses so the problem is definitely on the doorstep of the government. I certainly hope that they will not fail in the handling of our wheat problem and I repeat that if the international wheat agreement fails it will be largely because of certain international financial and trade policies that are being followed.

Fear is being expressed regarding possible surpluses of wheat in the future, but if you go through history you will find that we have never really had too much wheat. Wheat has accumulated in some years, but over a period of time those surpluses have all disappeared. It is largely a question of providing sufficient storage to carry the surpluses over from one year to another. When you look at the

situation in the world today, when you consider the position of China, India and other countries, you can feel assured that there will be adequate markets for all the wheat we can raise, provided we make satisfactory trading agreements whereby nations can obtain our wheat.

**Mr. J. A. Ross (Souris):** Mr. Speaker, I shall be brief, but first I want to endorse the remarks of the hon. member for Lake Centre (Mr. Diefenbaker) and to say that following the announcement made this afternoon by the Minister of Trade and Commerce (Mr. Howe) the wheat producers of western Canada will be very disappointed. We are now told that the loss under the United Kingdom-Canada wheat agreements will be approximately \$600 million. It does not need much figuring to realize that that is approximately \$1 per bushel loss on the wheat delivered to the United Kingdom under those contracts. As has been pointed out, this party stands alone in having to a great degree opposed that contract, but I want to make it quite clear that we never opposed a contribution being made to Great Britain. On every opportunity we pointed out that if such a contribution were to be made the cost should be borne by all the taxpayers of Canada.

**Mr. Fair:** The hon. member for Acadia (Mr. Quelch) was the first to suggest that, and I was the second.

**Mr. Ross (Souris):** I accept the statement of the hon. member; we are together on that and we are still of the same opinion.

**The Acting Speaker (Mr. Beaudoin):** I do not think it is in order to discuss the announcement made by the Minister of Trade and Commerce at three o'clock this afternoon.

**Mr. Ross (Souris):** I simply referred to that in passing and am not discussing it at all. I am discussing the resolution now before the house and pointing out the great loss our farmers will be taking. It works out to about \$1 per bushel on the wheat delivered under the U.K.-Canada wheat contracts, or approximately 50 cents per bushel on all wheat delivered by the farm producers over those pool years. We contend that the treasury of this country should to a large degree make good those losses.

There was discussion this afternoon about the fact that the wheat board report for 1948-49 had not been referred to the standing committee on agriculture. *Hansard* speaks for itself and shows that I asked the Minister of Trade and Commerce on March 6 if he would do that. Hon. members heard the discussion that took place this afternoon.