

Wheat—Marketing of Surplus

opposed parity prices; it has opposed floor prices. It scarcely has a floor price worthy of mention.

Mr. Gardiner: It has floor prices.

Mr. Argue: The only floor price worth anything is the floor price on butter.

Mr. Gardiner: A while ago you said we didn't have any.

Mr. Argue: If the minister wants to stand up and tell the Canadian farmer he should cheer because there is a floor price on butter then he can go ahead, but I say the Canadian government has always opposed the principle of floor prices, and the principle of orderly marketing. Just a few days ago in this house members on the government side of the house voted against a motion moved by the hon. member for Mackenzie (Mr. Nicholson) asking for a floor price on hogs and cattle equal to the average price prevailing from 1951 to 1953.

Mr. Gardiner: We have floor prices on hogs, eggs, and butter.

Mr. Argue: This is a new comment. The floor price on hogs is 23 cents per hundred-weight. But what happens as soon as the price on hogs goes down near the floor—the minister rushes in and yanks out the floor.

The government will not set a floor price and has always been opposed to floor prices. If our western economy is to be saved I believe the government itself should pay to the wheat board the 10½ cents a bushel by which wheat has been reduced. The farmers of western Canada should receive a guarantee that for every bushel of No. 1 northern wheat sold there will go into the Canadian wheat board fund \$1.82. Someone says that that would be a subsidy policy and would mean a levy on the taxpayers of Canada.

I listened to former president Truman on the radio the other night. I have always been an admirer of Harry S. Truman, and the economic policies he propounded. He said a democratic government in the western world should now follow a fiscal policy of tax and spend, and tax and spend. In the course of that address he said we were told by some that the duty of the government is to balance the budget. But he said the duty of a democratic government today is to follow a fiscal policy which makes sure that the family budgets of the people of that nation are balanced, and that that is far more important than any system of so-called sound finance.

This government has said it was in favour of a cyclical budget. But we have not seen any as yet. This government is apparently

unable to adopt the farsighted economic measures necessary to prevent a further deterioration in the grain situation, and which are necessary to prevent a further deterioration in the unemployment situation.

I have never followed those who criticized labour for attempting to gain high wages. I believe history shows that the only time the farmer has received good prices for his products is during periods when labour is employed at high wages. I want to see full employment; I want to see high wages; and I believe that one of the best ways of bringing about full employment is to have adequate prices for agricultural products. Conversely, one of the ways of obtaining good prices for agricultural products is to have full employment. If this government wants to solve the agricultural situation and the unemployment situation it must increase agricultural prices, establish adequate floor prices, and embark on an adequate program of public works and public expenditures to make sure that our half a million unemployed are put back to work.

Because of unemployment in Canada today we are losing nearly a billion dollars in wealth production. That is the real burden on the economy of Canada. What we want from the Canadian government is an economic policy based on parity prices for the producer, and full employment at high wages for the industrial worker.

I believe the government should set aside a reserve of wheat and should purchase wheat in store on farms and pay the farmers for a substantial quantity of that wheat. It is impossible for farmers today to move wheat in any quantity, and farmers are unable to pay their outstanding obligations to merchants in the towns. They are unable to meet their current farming expenses, and unless a real improvement takes place soon the falling off in farm income is going to result in a further drastic lay-off in industry.

I would like to suggest to the Minister of Trade and Commerce that he go to Great Britain and endeavour to sign a Canadian-United Kingdom wheat agreement something along the lines of the U.K. wheat agreement signed after the war.

Mr. Howe (Pori Arthur): Is that consistent with your idea that we sign an agreement with the United States to sell in partnership with them? How many agreements can we have at one time?

Mr. Argue: I know the minister does not like agreements but I am quite prepared to say that I think the Minister of Trade and Commerce would be well advised to explore the possibility of signing an agreement with