

Loss to Canada of World Wheat Market

when the vagaries of international trade affect wheat sales to the extent that wheat prices fall below the cost of production, thus inviting economic ruin for farmers, the government will intervene. As the *Western Producer* said in an editorial, the important principle of government intervention in such circumstances has been accepted. Though the government's announcement may not mean much in dollars and cents in 1967-1968, that announcement nevertheless is welcome because of the principle which demonstrably has been accepted.

The Minister of Trade and Commerce (Mr. Winters) and the Minister of Agriculture must still answer certain important questions. It must be remembered that on May 25 the Minister of Trade and Commerce announced in the house that the new agreement had been successfully negotiated and that it would take effect as of July 31, 1968. In the period between now and then the price to be negotiated for sales of export wheat would be in the same range as prices contemplated under that agreement. Perhaps I should not say that; I should not paraphrase. I shall quote direct from *Hansard* of May 25 where, at page 577, the minister is reported to have said this:

● (9:30 p.m.)

Hon. members will recall that the price provisions of the present international wheat agreement expire July 31. On the matter of price, it is understood in trade terms that this means the new price range which I have reported to the house will be observed in the months ahead until the new agreement becomes fully effective.

Less than three months after that statement, the facts flatly and absolutely repudiated it. I should like to ask what the minister meant when he said "it is understood"? Did he mean there was some understanding given in written form, or did he mean it was simply a vague hail-fellow-well-met slap on the back type of arrangement made during the closing hours of the negotiations in Geneva last spring? I do not think it is good enough for a minister of the crown to give an assurance to the house on the basis of such an informal and casual agreement.

Fortunately for the minister, for his government and for the country the repercussions of that kind of sloppy negotiation were not really so severe, although one can argue that a price decline of 22 cents per bushel of wheat between April and September was more drastic than we would like. The minister should explain to the house how he could

[Mr. Schreyer.]

get up and say it was understood the price range would continue in effect as though the new agreement were in force. This simply did not happen. The minister should have been more explicit as to the nature of the negotiations and discussions, and as to the nature of these "understandings."

Further, when I was speaking on September 27 in reply to the minister's announcement I asked him if it was not a fact that just seven or ten days prior to his making the announcement that the government was prepared to support the price of wheat at \$1.95 per bushel he had categorically stated in a press conference that the government was not considering any form of price subsidy.

The reason I mention these incidents, Mr. Speaker, is to focus attention on the uncertainty, confusion and procrastination the government displayed with respect to the crisis which welled up last August and September over the price of wheat in international markets. This is one important feature of the problem that confronts western wheat producers.

Another problem which in an immediate sense is more pressing, one related to us by the hon. member for Battle River-Camrose, is that despite the suave assurance of the Minister of Trade and Commerce—and he is one who can give suave assurances—export movement of wheat from our terminal positions lagged in August and September far behind the movement of wheat in the same period last year, the year before that, the year before that, and the year before that again. In fact the lag in export movements from terminal positions this year was so severe that the amount exported in August, and in August-September combined, was less than half the amount exported in the same period last year.

This is pretty significant. Actually it is pretty frightening. It carries with it some very cold and bleak prospects. This is a problem the government must tackle with more energy, certainly more energy than it has been showing during the past few weeks. The problem is not difficult to outline. As the terminals slow down, the blockage moves back across our grain transportation facilities to the country elevators. The hon. member for Lisgar was absolutely right in saying that the government through the Wheat Board should take more effective steps.

If it simply is not possible to liberalize—I use the word liberalize in its generic sense—the federal cash advance legislation in order