as a result of their conference. Let me read the statement in the speech from the throne:

My government have been giving careful consideration to measures that might be adopted for the establishment of agricultural short term and intermediate credits; and have invited representatives of the provinces to study the means by which practical effect may be given to the recommendations in this respect made by the Royal Commission on Monetary and Banking Problems.

What is the recommendation that was made by the Macmillan commission? The recommendation of the commission was simply that the government should seek to take up with the provinces the question of rural credits. That does not help us very much. Let me read the exact recommendation of the commission:

We unanimously recommend that an inquiry be instituted by the Dominion government, preferably with the cooperation of the provincial governments, to investigate the existing organizations for the provision of rural credit with a view to the preparation of a scheme for the consideration of parliament.

All of that, so far as it relates to anything in the nature of action, is a long way off. If the farmers of western Canada have to wait until this government has instituted an inquiry into the question of rural credits or until a conference with the provincial governments has matured some scheme that will be satisfactory, I doubt very much whether anything that happens in this particular parliament will effect a final enactment with respect to rural credits. Again I say that, instead of waiting until the fifth session of this parliament, to make a promise which is in the nature of a further postponement of any immediate action, the government ought to have taken at previous sessions some steps to provide short term and intermediate agricultural credits.

But that is not all. The speech has reference to one other measure by which the government proposes to help agriculture. It is spoken of as the wheat agreement. It refers to the wheat agreement in the following language:

My government, acting with representatives of other wheat exporting countries, as well as representatives of wheat importing countries, have entered into an agreement for relieving the world market from the disastrous price-depressing influence of abnormal surplus wheat stocks. It is a matter of satisfaction that the parties to this agreement are cooperating with a degree of effectiveness which is already reflected in improved prices. The agreement will be laid before you.

What is this so-called wheat agreement, Mr. Speaker, and how is it going to help the agriculturists of this country? I think I am right when I say that first of all it is in effect, an agreement to reduce the acreage of wheat production. There is no mistake about that. In other words, the government, having destroyed trade, is now seeking to destroy production as a means of solving the problem with which the country is faced at the present time. They propose to relieve the unemployment problem by reducing the areas of employment—

Mr. POULIOT: And now they propose to sterilize wheat.

Mr. MACKENZIE KING: I ask, Mr. Speaker, was there ever an agreement which, in a situation such as faces western Canada at the present time, could mean less of service to the agriculturists, or if you like more in the way of irony. What is this agreement? Apparently representatives of four or five of the wheat exporting countries met with the Prime Minister of Canada at the office of the High Commissioner for Canada in London, and along with them were representatives of a considerable number of wheat importing countries. They discussed the wheat situation throughout the world and drew up an agreement to the effect that certain of the exporting countries would limit their exports of wheat. Canada, as one realizes when one begins to study the figures, has to make the largest sacrifice because we have the largest amount of exportable wheat. We have to cut down our exports very considerably. We have to do something further. For the next year or two we have to keep down our export of wheat, in the only possible way we can do it, unless the government itself is to purchase it—by reducing the total area of wheat production. What is Canada going to get in return? The wheat agreement says that the wheat importing countries have undertaken that they will encourage the consumption of wheat. They will not encourage increased production in their own countries, and once the wheat produced by these exporting countries has risen to a certain figure, which comes to about ninety-eight cents or one dollar in terms of Canadian money at the present time, and remains at that figure for several weeks the wheat importing countries will consider lowering their tariffs to admit more wheat from the wheat exporting countries. Is there any guarantee that wheat is ever going to rise to that figure? And if it does, is there any guarantee that these other countries will carry out what they have undertaken?

May I point out this in connection with the wheat agreement? Some who signed the