

## Wheat

That is not a new demand or request on the part of the farmers' union. They have asked repeatedly that Canada have a two-price system, a guaranteed domestic price, and then of course a world price according to whatever arrangements could be made under certain agreements. That is exactly where the danger is at the present moment. The minister feels that we are in no different position from the United States on this matter. But so far as the producer is concerned we are definitely in a different position. They have a two-price system in the United States; they have the higher guaranteed price to the producer, and then they sell their surplus in the world markets at whatever price they can arrange. Here in Canada we have not a two-price system so far as the guaranteed price is concerned.

I believe that if the United States continues on this trend, which I predict is going to be more pronounced very soon, the government should be prepared to consider a two-price system in Canada, and if necessary a subsidy for the wheat producer in order that we may hold our position.

I also believe there is another approach that might eventually be a more effective one. An effort must be made, and soon, to reduce the cost of production of grain, because if the situation arises where we are forced by circumstances to accept a lower price for grain on the world market, whether it be under an agreement or otherwise, then the farmer, at the present cost of production, is simply not going to be able to make ends meet. That is something that can be done without having to go into negotiations with other countries. This is a domestic situation. Steps must be taken to bring down the cost of production to the point where the farmer can produce grain and sell it on the markets of the world, whether under agreement or otherwise, and be able to have something as a margin for his labour.

There is another reason why a definite statement needs to be made as to why the request made by my leader should be seriously considered, as to the meeting of the joint committee, because statements come flying thick and fast from various sources, and the minister himself has said that some of the newspapers may be printing statements which are not correct. I am not in a position to say whether he is right or whether the newspapers are right; but here is one that also appeared in the *Winnipeg Free Press*. It reads:

Both the United States of America and Canada are anxious to maintain the wheat prices at the present levels. "It is as much in the interests of

the Americans as in Canada's interests that there be no wholesale 'dumping' of wheat on the market," a high ranking government spokesman said.

This statement is attributed to a high-ranking Canadian government spokesman. These statements come out and appear in the press across Canada, and are attributed to high-ranking government spokesmen. We are getting a little anxious to know who these high-ranking spokesmen are. If anything appears which is attributed to a spokesman for the government, then that person should be identified so that we can know whether he is speaking authoritatively or speaking with the blessing, shall we say, of the government, or just expressing his own opinion. If any confusion has been caused over this issue in the newspapers, I would suggest it is those high-ranking spokesmen for the government, who remain anonymous, who are causing the confusion.

**Mr. Macdonnell:** Maybe that is one reason why they remain high-ranking.

**Mr. G. H. Castleden (Yorkton):** I should like to point out to the minister, in view of his statement, that it is not hon. members here who may be anxious about the situation, who are causing anxiety and fear among the wheat growers. The situation in the world is naturally tense, with the surpluses which exist in almost every exporting country to the extent that they do today.

If there are 1,400 million bushels of wheat waiting for world markets the people of the world who have grown that wheat are looking for something to repay them for their work and their investment. They are naturally anxious to know what is going to happen. They are more fearful when the flow of wheat slows down and finally stops, as it has today.

**Mr. Howe (Port Arthur):** Mr. Speaker, is the purpose of this debate to spread false rumours?

**Mr. Castleden:** I am very glad to have that remark. No; I hope this debate will clear up some of them.

**Mr. Howe (Port Arthur):** I doubt it very much.

**Mr. Castleden:** I hope it will clear up some of the confusion in the minds of some of the people as to what the situation really is. They get a report from Washington, which is repeated here on authority, that quantities of class II wheat are to be sold on the world market outside the international wheat agreement at a subsidized price. Under U. S.