

Supply—Trade and Commerce

rightly, that while such an increase was better than nothing it was less than satisfactory in the light of the continuing increase in the farmers' cost of production. If this 21 cent increase was not satisfactory then, what words can now be used to describe the situation which developed this summer when instead of going up 10 per cent the price of wheat went down 10 per cent. All one can say is that a development of this kind is simply unacceptable to Canadian farmers and to western farmers in particular. It is unacceptable almost in a physical sense because if a situation of this kind were to continue in the face of rising costs of production it would mean an even more rapid consolidation of farm units and an even more rapid exodus of the farm population to the larger towns and cities. This would be bound to result in serious social and economic disruption.

I cannot understand why the logical policy which the government has announced today could not have been decided upon and announced earlier for reasons which were well put forward by the hon. member for Bow River and for reasons which I myself have already stated. There is a further reason why the government might well have arrived at its decision some time in July or August or as soon as it became obvious that the price trend was gaining momentum back in May and June. The precedent they have for taking the course of action now announced arises from the statement made by the Prime Minister in the election campaigns of 1963 and 1965. It is on record in the newspapers. The *Toronto Globe and Mail* featured a story on this very point—"Pearson Promises Prairie Farmers \$2 a Bushel for Wheat". The *Saskatchewan Star-Phoenix* had a similar headline, as did other papers. My old friend Hazen Argue came to my home town to make the same kind of promise. This summer that promise which had no practical meaning in all of 1966 and until July of 1967 could have been implemented in a meaningful way, yet the government chose to wait until the end of September before making an announcement. In the interval, as the hon. member for Bow River has said, markets have been lost, markets which it will be difficult to recapture.

I should mention one further aspect of this promise before going on to deal with other matters. These promises made by the Prime Minister and his colleagues in those election campaigns were not made spontaneously or

[Mr. Schreyer.]

"off the cuff". Let me quote from a news story carried in the *Globe and Mail*.

Mr. Pearson, in notes of an address prepared in advance, promised western grain growers that a Liberal government would immediately provide a floor price of \$2 a bushel for No. 1 northern.

• (4:50 p.m.)

It was not an ejaculation prompted by some kind of emotional circumstance, such as that which may have prompted President de Gaulle to utter the kind of statements that he did when visiting this country. This was a contrived promise by the Prime Minister, reiterated by his colleagues. It was something calculated, but apparently it was never intended that it should materialize. These are rather harsh words to use, but it appears the promise was calculated and it deceived. The result was deceptive, but now at least a half step is being taken in the direction of fulfilling the promise that was made three, four or five years ago.

In the interval, costs of production have increased tremendously. If the Prime Minister was warranted in thinking in terms of a \$2 bushel floor in 1962 or 1963, what should the floor be now if it is to have corresponding value or meaning? All we have is the minister's statement to the effect, as I understand it, that there will be a floor price of \$1.95½ per bushel, and when the price falls below the new agreement floor the difference will be made up out of the public treasury.

The lowering of wheat prices has not meant anything directly to wheat producers in the United States. As I understand it, they are sheltered from the buffeting that takes place in international trade. Price stabilization and price support are adhered to by the United States government of the day as a matter of public policy. As a result, farmers know where they stand and are able to plan ahead.

But in Canada, even at present, it would seem that when a storm brews in international trade and pricing, our farmers are expected to weather the worst of the storm and stand all the buffeting on their own. This kind of treatment should not be tolerated in the future. I hope that between now and the inception of the new international wheat agreement in mid-summer of 1968 it will not be necessary to implement this eleventh hour policy just announced by the government. I hope the development of events will see prices return to the levels that prevailed up until the summer of this year.