

Mr. SPEAKER: The hon. member should not interrupt when a speech is being made to this house. I ask him to keep order and take his seat.

Mr. VALLANCE: May I ask a question?

Mr. SPEAKER: No.

Mr. VALLANCE: On a point of order.

Mr. SPEAKER: If the hon. member wishes to raise a point of order, he has a right to do so.

Mr. VALLANCE: I raise a point of order. The Prime Minister has asked a question.

Mr. SPEAKER: Order.

Mr. VALLANCE: He asked whether we who sit—

Mr. SPEAKER: The Prime Minister has directed no question to the hon. member. Sometimes in making a speech words are used which indicate a question but they may not be directed to a definite member of the house.

Mr. VALLANCE: Mr. Speaker—

Mr. SPEAKER: I ask the hon. member to take his seat; he is out of order.

Mr. VALLANCE: If the Prime Minister does not want to answer me—

Some hon. MEMBERS: Order.

Mr. BENNETT: On May 30 last a telegram was addressed to me reading as follows:

Winnipeg, Man., May 30, 1933,  
5.10 a.m.

Honourable R. B. Bennett,  
Ottawa, Ont.

The following resolution was passed at a meeting of the wheat problems committee representative of the governments of the three prairie provinces:

That in the opinion of the committee an increase in commodity prices generally and wheat prices in particular is essentially a condition precedent to any sustained improvement in Canadian economic conditions;

That in view of the present large world surplus of wheat and the present prospect of a further large Canadian crop, some plan of curtailment of wheat production in or exports from the four principal exporting countries is essential to any such price increase;

That we therefore strongly recommend to the government of Canada that it make every effort to secure for this question an early and prominent place in the discussion of the general economic conference and that the governments of Manitoba, Saskatchewan and Alberta, pledge the support of their respective provincial governments to the principle of such curtailment of wheat production or control of exports and offer to cooperate with the federal government in formulating plans to carry this principle into operation in Canada;

That any further discussion at the said economic conference should involve consideration of the possibility of any agreement arrived at between the said exporting countries becoming effective in the marketing of any crop handled after the first day of July, nineteen thirty-three.

Sgd. John E. Brownlee,  
John Bracken,  
M. A. MacPherson.

That telegram was received by me on the eve of my departure for the world economic conference. On my arrival there I found that Mr. Morgenthau, whose committee had been dealing with the matter at Geneva, had set up his committee at London. Representatives of all the wheat exporting countries attended, with the exception of Russia which came in later. After a full discussion certain facts were ascertained to which I shall presently refer, but it was realized that in order to make effective any agreement of that character, it was essential that the wheat importing countries should not believe, as in times past they sometimes had, that they were about to be made to pay through the nose for what they bought. Discussions took place with the wheat importing countries, Great Britain being the largest, and they agreed that it was in the interests of world conditions that there should be an increase in the price of wheat to the producer. The only method by which that could be arrived at was by dealing with the problem through the curtailment of production until such time as production and demand were near an equilibrium. Now, let us see just what was involved in that. This country unfortunately has been greatly misled with regard to wheat. I wonder if the house recalls the fact that immediately after the war we believed that we would have in a time of peace a wartime market, and that we should be able to maintain the sales of our wheat abroad on the same basis as during the war. Well, of course it was an unfounded assumption. We increased acreage, going up and up, increasing the production of wheat, until there were millions of unsold bushels, while across the water, in France, in Italy and in other countries they were getting back to pre-war conditions and increasing their production of wheat so as to make themselves self-sustaining if possible. That was the position. How far this country has been misled in this matter I should like to point out. Suppose I merely point to a speech made, for instance, by Mr. Crerar, who is reported as follows:

With reference to the unemployment question, Mr. Crerar attributed the present conditions largely to the fact that the crop in western Canada was not so great in 1929 as that of