

Economic Conditions in Rural Communities

reports for the Canadian Wheat Board, was never here during the debate.

Mr. McGrath: The Minister of Finance (Mr. Benson) is not here.

The Acting Speaker (Mr. Richard): Order, please. I did not want to intervene. I regret that the hon. member should have raised this type of question of privilege. However, since he has raised it, that is that.

Mr. Francis: I rise on a question of privilege, Mr. Speaker. The Secretary of State (Mr. Pelletier) is present. The minister is temporarily engaged. Another minister left just a few minutes ago.

Mr. Southam: Mr. Speaker, I thank my colleague for his intervention. One can see that what I and others have been saying for a long time is correct. Apparently the government is not overly concerned about the problems of agriculture. If I may return to the International Wheat Agreement and to the discussions on that subject which have just collapsed, I think it might be worth while putting some facts on record. I think the government ought not to go unchallenged or uncriticized for what has happened in this area.

It has taken a backward step with respect to a matter in which over the years there was international co-operation. This agreement was made in 1949, after 12 years of behind the scenes negotiation involving 50 exporting and importing countries. The agreement entered into in 1949 worked successfully until 1961. On that occasion when the International Wheat Agreement was discussed—this was in the cycle of three-year meetings which the grains council or the wheat council called—a price increase of 12 cents per bushel was adopted. That price, it was hoped, would enable us to carry on successfully in the future. However, at that time many countries realized that some countries, and especially our friends to the south, had overly large surpluses. As a result, when the wheat question came up for study again in 1964 under the three-year cycle, our American friends persuaded other nations to agree to terms being set only on a one-year basis.

This led up to the 1967 meeting when the International Grains Arrangement was mooted at the conference in Geneva. The result was that the 11-month lapse that occurred in bringing in a new grains arrangement gave our competitors the opportunity of entering the market and playing around with it. In other words, while that took place the gentleman's agreement did not prove effective: several nations, including the United States, France and Australia, broke the agreement with respect to prices subsidies of transportation rates.

● (5:40 p.m.)

In the spring of 1965 the then Minister of Finance, now the Secretary of State for External Affairs (Mr. Sharp) was responsible for the Wheat Board. Instead of supporting this international agreement we were faced with the situation where the United States cut the price by 18 cents in 10 days. Instead of consulting with his counterparts in the United States, the minister advised the

[Mr. McCleave.]

Wheat Board to cut prices, which they did. As a result, our Canadian agriculturists, particularly the western farmers, lost \$90 million. This was exactly the trap into which the United States wanted Canada to fall. In case hon. members think I am being unduly hard on our neighbours to the south, I have mentioned previously in this House who was responsible for first breaking this agreement.

I wish to quote from a very revealing document, the "Pool Broadcast" for February 5, 1971. It refers to the Canadian Federation of Agriculture conference held in Ottawa two weeks ago. The guest speaker at that conference was Tony Deschant, president of the Farmers' Union of the United States.

Mr. Deschant said if the United States and Canada had observed their pledges, the floor price of the IGA would have been maintained.

This is the salient point:

He said it was the U.S. that first broke the price.

The Canadian agricultural industry and agricultural industries throughout the world are the losers.

A classic example of the kind of distorted thought-processes that underlie a recent budget is a statement the Minister of Manpower and Immigration made in Saskatoon on February 2, 1971. I wish to quote from the minister's press release. It gives a false sense of security or importance to the western philosophy. I quote as follows:

Inflation is under control, the economy is expanding and every Canada Manpower Centre has long lists of educated, trained, experienced, aggressive, hard working personnel—

That is not a record of which to be proud. While the minister's statements on wheat exports often seem to be drafted by his immigration staff, this statement on manpower and the Saskatchewan economy must surely have come from the proverbial "down on the farm". Carried away by the Lift program, the minister's aides have coined a new one—Operation Earlybird. The basis of this bold scheme is that Manpower will be ready when the private sector of Saskatchewan dutifully divides itself into groundhogs and earlybirds. The earlybirds correctly go to Manpower to select new employees from an exceptionally wide supply of willing workers. I quote from the minister's statement:

—every Canada Manpower Centre has long lists of educated, trained, experienced, aggressive, hard working personnel—

The long lists, of course, are with the compliments of the Minister of Finance (Mr. Benson). The Minister of Manpower and Immigration has no idea what the groundhogs will be doing. For the cautious, it should be pointed out that in our part of the country groundhogs have had an honourable and essential role in forecasting the length of winter. After reviewing the splendid contribution made by the federal government to Saskatchewan, the minister indicated that he will be going around saying, "I've just got to be optimistic". Perhaps he has concluded that the difference between a groundhog in the private sector and one on the Treasury Board is simply a