

Supply—Agriculture

Like most members, I will be glad to hear what the minister proposes to do about the high price of farm machinery. It is now over two years since he promised to do something about the fact that the farmer was being exploited by the farm implement monopoly. Everyone is prepared to give the minister ample time to investigate, to gather the facts, to work out a policy, but surely something over two years is more than adequate for the minister to bring some concrete proposals before parliament. So far he has failed to do so and the cost of farm machinery continues to rise.

Last evening the minister talked about sales of wheat and the price of wheat. The plight of the wheat producer in the prairies was summed up by the Canadian Federation of Agriculture in their brief, and just one paragraph is all one needs to quote:

The Canadian wheat producer has faced a combination of rising costs, falling prices, and shrinking world marketings—a combination calculated to sharply and seriously undermine his income position.

The decline in the sales of wheat is something which is causing great concern not only to the prairie farmers but to the entire prairie economy. The minister quoted with great glee the large sales of wheat made under the present administration in 1963, 1964, 1965 and 1966. One could point out that these sales of wheat were largely due to the fact that there were very serious crop failures in certain parts of the world. These increased sales were due to a windfall of large exports of wheat to the communist countries, but last night the minister took all the credit for these increased sales of wheat. I submit that if he is going to accept praise for the increased sales he must now accept the blame for the very serious decline in the sales of wheat, and not only himself but also the Minister of Trade and Commerce who is primarily the minister responsible.

From July 1 to February 14, which is the latest figure we have, wheat sold by Canada for export purposes amounted to 126.5 million bushels compared with 283.1 million bushels for the same period in the previous year. That is a decline of 156.6 million bushels. That means that in the present crop year we have sold only about 40 per cent of what we sold in the same period of the previous crop year. When we get down to selling only two-fifths of the wheat we sold in the previous crop year then I suggest that the wheat economy is in trouble.

[Mr. Douglas.]

The minister, of course, will argue that this is due to the international situation but I would point out that the United States, which is a much larger exporter of wheat, for the same period of time has had a decline in its wheat sales of only 28.7 million bushels, and the United States department of agriculture is confidently predicting that in this crop year they will sell 750 million bushels of wheat compared with 742 million bushels in the previous crop year. They are confident that they will sell more wheat in this crop year than they sold in the last crop year.

It may be that the prediction of the Minister of Trade and Commerce that we shall sell 350 million to 400 million bushels of wheat in this crop year will be realized. I certainly hope it will, but even if it is, this will be considerably below previous years. But if we are going to sell 350 million to 400 million bushels in this crop year we will have to do much better than we have done so far this year.

It is not only a matter of sales of wheat—I will come back to those in a moment—it is also a matter of price. There is good reason to be concerned about price. On May 25 last, as recorded at page 577 of *Hansard*, when discussing the new 1967 international wheat arrangement the Minister of Trade and Commerce said:

On the matter of price, it is understood in trade terms that this means the new price range which I have reported to the house will be observed in the months ahead until the new agreement becomes fully effective.

Of course we know that those were empty words. The minister may have intended that the new price range would be observed in the months ahead but, as every member from western Canada knows, when the international wheat agreement expired on July 31, 1967, the United States began to dump wheat well below the price range which had been proposed for the new international wheat arrangement. It was because of this that the government was compelled to introduce a floor price of \$1.95½ for Canadian wheat. What the farmers are concerned about is what happens after the end of June because the \$1.95½ floor is effective only until June 30 this year.

• (5:00 p.m.)

Does the government intend to guarantee that floor? Will sufficient importing countries sign the agreement that we will be assured that all the wheat we sell will bring the farmers a minimum of \$1.95½? For an 11-month period we have been without the protection