

*International Wheat Agreement*

specialized sales if the export market is to be maintained, and I suggest to the government that they should be prepared to accept the local currency of nations which need our wheat but are unable to buy it because of shortage of dollars. In addition, we should be prepared to enter into barter deals for the exchange of wheat for the goods which other countries may have and which we could use.

I know the minister is going to hold up his hands in horror, but the United States is following these policies with great success and to our detriment, and unless Canada follows similar policies we shall be pushed even further out of international markets.

A third suggestion I wish to make is that in addition to being prepared to sell Canadian wheat on the basis of long term contracts, Canada should be prepared to purchase goods for import on similar long term contracts; there should be reciprocal long term contracts for the sale of goods. When there are discussions on the continuation or enlargement of the Polish market for Canadian wheat or of the U.S.S.R. market which we have developed in recent years, the answer always comes back that they would buy more Canadian wheat if Canadians would import from them and buy more of the goods they have to sell.

We feel that as time goes by these further policies must be developed. There is an obvious trend in policies with regard to the sale of wheat. As time goes on wheat is being more and more removed from the private trader, taken out of the hands of the speculators and being sold through government boards and agencies and under collective international agreements. We welcome this trend and hope the government will pursue these policies that time will show are essential if Canada is to maintain wheat exports.

I want to end on a note of caution. Unless these things are done the Canadian export market for wheat will be in danger. After hearing the evidence of the Canadian wheat board there is no question in my mind but that the board is very much concerned with growing competition from additional countries entering the export markets, and with the potential danger of widespread competition from the Soviet union. It remains for the Canadian government to do everything possible to restore and improve Canadian export markets for wheat.

We welcome this agreement. We know it is not flawless, but we feel it is better than no agreement at all.

[Mr. Argue.]

**Mr. W. M. Benidickson (Kenora-Rainy River):** Mr. Speaker, at this stage in the session I know that no one desires any repetition, and it is not my intention to indulge in that at all. The position of this party was extremely well stated this morning by the hon. member for Essex East. The hon. member for Assiniboia made some reference to the former minister of trade and commerce, and described him as an exceedingly optimistic man. I am not going to assume the right to make any definition of his characteristics. I think most of us know that he was a great realist and a great developer, and that this country would be much poorer if he had not been the courageous realist and developer he was. When the hon. member for Assiniboia described him as an optimist—which I think a good Canadian should be—I felt he did it in the context of an international wheat agreement. The hon. member indicated that even the present minister was practically repeating the type of explanation of advantages that might be obtained from an international wheat agreement that would have been given in former days by the minister's predecessor, Right Hon. C. D. Howe.

The hon. member for Assiniboia was in the house when the resolution ratifying the previous agreement came before parliament. Either he has forgotten the circumstances or he chose to be unfair to the then minister of trade and commerce, because certainly Mr. Howe was a realist with respect to the possibilities of the international wheat agreement. Without repetition I simply want in the context of this debate to place on record the views expressed by the minister of trade and commerce of 1956, Mr. Howe, when he introduced a resolution such as the present minister introduced today. At page 7067 of *Hansard* of August 6, 1956, Mr. Howe is reported to have said:

We must remember that no one is obliged to purchase wheat under the international wheat agreement unless we offer wheat at the minimum, which last year would have meant offering No. 1 northern wheat at \$1.55 per bushel and this year would mean offering No. 1 northern wheat at \$1.50 per bushel. Well, I would not like to be pressed into the necessity of offering wheat at those prices with any belief that the member countries of the wheat agreement would take up the wheat. There are physical difficulties of storage in the way, among others; and therefore I have never been prepared to suggest that the wheat agreement is a guarantee of a minimum price. Perhaps it contributes to that end, but the guarantee simply is not there.

And again at page 7068 he is reported as having said:

I wish we could dispose of the idea that the printing on a piece of paper determines whether Canada can or cannot sell wheat.