

*International Wheat Agreement*

As has been indicated by the hon. member for Battle River (Mr. Fair) and others, we in western Canada have felt that Great Britain has had a fair deal under the British wheat agreement and under the present international wheat agreement. We may not all agree that the farmers in western Canada have lost the amounts of money that have been suggested by various people; in fact, I do not think they have lost the amounts of money that have been suggested. But I think they feel that Great Britain has had a fair deal over the last eight years as far as her purchases of Canadian wheat are concerned; and there is keen disappointment that Britain is the only country that has failed to sign the present agreement.

We have carried on "Buy British" campaigns. We in western Canada have endeavoured in every way possible to encourage the purchasing of British goods. It seems to me that there are two major reasons why Great Britain has failed to sign this agreement. I think the major one is the fact that she is short of Canadian and United States dollars with which to purchase our products. That fact was indicated some time ago. In 1947 and in 1948, because of her lack of dollars, she started to purchase less and less of Canadian agricultural products. First she stopped purchasing those things which she considered to be luxuries: she stopped purchasing apples, salmon and fresh eggs. Then she reduced her purchases of bacon and cheese. I feel that she is now placing herself in a position where, if necessary and if she can procure wheat in areas other than the dollar areas, she will be in a position to do so; and I feel that her lack of Canadian dollars with which to purchase wheat is one of the main reasons why she has failed to sign the agreement.

I cannot imagine that Great Britain has failed to sign this agreement simply because of a difference of five cents in the ceiling price. The ceiling price is a protection to the buying countries. The floor price is a protection to the selling countries. So a five cent difference in the ceiling price does not seem to me to be a legitimate reason for a purchasing country to fail to sign the agreement. It seems to me there must be some other reason. I feel that the major reason is that Britain wishes to be in a free position, in a position where, if she can purchase wheat from Argentina or if wheat could be available from behind the iron curtain, she will be in a position to purchase that wheat and will be in a better bargaining position outside of the agreement than in it.

The other reason why I think she has failed to sign the agreement is the present policy of the present British government.

[Mr Wright.]

The original agreement was signed by a Labour government in Great Britain. It was signed because the Labour government of Great Britain believed in commodity bulk purchasing; they believed in that method of doing business. The present government in Great Britain do not believe in commodity bulk purchasing and they are taking the first opportunity of getting out of the bulk purchasing agreements which the former government had. They are going to place themselves in a position where, if it becomes necessary, they can open the corn exchange again in Liverpool where they can purchase wheat anywhere in the world at the lowest price at which it may be offered on an open exchange.

We in Canada have felt for a number of years that we should have commodity purchasing agreements; that basic food products should not be subject to the speculative market; that there is a better system; that we can have a forward pricing system which will set minimum floors under basic products which will give to the producers and to the consumers some security, some basic level of prices over a period of years. The wheat agreement did that.

There will be keen disappointment in western Canada if the agreement should fail because of the failure of the British government to come in. The wheat board should be complimented on the fact that since the war they have secured a diversity of markets for our wheat which we did not have before. The figures which the minister placed on the record, showing the amount of Canadian wheat that is being sold in countries other than Europe, in the Far East and in South America, are a good indication that the wheat board has done an excellent job as far as finding markets for Canadian wheat is concerned.

This group at least—and I think this applies to all parties in the house—believes that the wheat board marketing of our wheat has been a success. I was surprised that the hon. member for Kindersley (Mr. Larson), while agreeing that the wheat board marketing of our wheat under the compulsory marketing system was a success—he did not believe in a dual system of marketing wheat—did not disagree with the present system of marketing our coarse grains, and the fact that the wheat board is using the Winnipeg grain exchange for that purpose. I do not think that the use of the Winnipeg grain exchange over the last two years in the marketing of coarse grains has worked to the disadvantage of the western producers. But there is certainly a feeling in eastern Canada that it has worked to the disadvantage of the eastern consumer