

this agreement. I am not going to oppose it; to do so would be rather a futile gesture; but there are a few features of it to which I would like to draw the attention of my colleagues.

It is now more than fifteen years since an international wheat agreement was first mooted. I think I remarked a year ago, in what I had to say about the agreement when the motion was before us for ratification, that sentiment in favour of this kind of action has, so to speak, surged up and down over this fifteen year period. It is a fine thing to talk about international agreements, and in these times ideas of international co-operation kindle the sympathies of us all. Let no one think for a moment that I am deriding this sentiment; it is highly commendable; but if it is to have any value, there must be some practical side to it.

Now what is proposed under the agreement which is before us for ratification—the second of its kind—is that thirty-seven importing countries agree to buy wheat on the terms outlined by the leader of the government (Hon. Mr. Robertson), and that five countries agree to sell certain quantities of wheat. Included in the number of those agreeing to buy are several who have undertaken to purchase less than one million bushels a year. I notice that in one case, the smallest importer, the amount involved is only 36,744 bushels. There are individual farmers in Western Canada who could supply that quantity from their own acreage.

There is another feature of the agreement to which attention should be called. I observe, for instance, that Brazil agrees to import roughly 13¼ million bushels, and Paraguay, another South American country, undertakes to accept roughly 2,200,000 bushels a year. One of the anomalies of this agreement lies in the fact that Argentina an important producing country, has not signed it. The state of Paraguay adjoins Argentina, and Brazil is four times as far from the United States, as she is from Argentina, farther from Canada, and even farther from Australia. Is it reasonable to suppose that Paraguay will buy wheat from the signatories to this agreement if she can obtain it cheaper from Argentina at a lower price? Certainly she has contracted to do so in the agreement, but supposing, on the plea that she cannot afford to buy at the price here fixed, she backs down on her undertaking, what sanctions shall we impose to compel her to honour her signature? The same consideration holds good as to Brazil.

Then, what will be the attitude of the great state of Russia, which has not signed the agreement? Before the First World War Russia usually exported annually over 100

million bushels of wheat, and, as the honourable senator from Thunder Bay (Hon. Mr. Paterson) is aware, the Danubian countries, particularly the Hungarian plain, were heavy exporters of wheat. Hungary lies next door to Italy, which is listed here as the second largest purchaser. If things settle down in Europe, and Hungary wants to sell 50 million bushels of wheat to Italy at an attractive price, that country will be strongly tempted to accept the offer.

Honourable senators, as I stated a year ago, it is difficult to harmonize the interests of exporting and importing countries. The exporting countries naturally wish to secure as high a price as possible, while the importing countries naturally desire to purchase as cheaply as possible. I fear that the importing countries, faced with the uncertainties of trade and exchange over the next few years, will be strongly tempted to buy their wheat from Russia should that country offer it to them at lower prices than they can get it under this agreement. Frankly, I expect, even though this agreement may persist for a year or so, that it will not live until the end of its term. Those who are pressing for the International Wheat Agreement are not pursuing a course that will place Canadian agriculture on its soundest basis. It may be implied from what I say that I think the signatory countries will break their word. That is not altogether the case. Once the Marshall Plan has come to an end, some countries may encounter real difficulty in securing dollars to buy from the United States and Canada. And let it be understood that under this agreement the United States and Canada are the largest contributing countries. Between them they are to supply more than 370 million of the 456 million bushels provided for in the agreement.

I do not intend to vote against this motion, but I want to emphasize that I have little faith that the term of the agreement will be completed. I am doubtful, too, if the advantages that it is supposed to bring to the grain producers of this country will be realized.

Hon. Mr. Kinley: Do not the uncertainties which my honourable friend has mentioned exist in all businesses? Is this not based on confidence and ability to pay?

Hon. Mr. Crerar: I think my honourable friend from Queen's-Lunenburg (Hon. Mr. Kinley) is suffering from a misapprehension. Under this agreement Canada has to hold out for a certain price; but if the agreement did not exist, the market would find its own level and Canada would enter into competition with Russia or Argentina. Brazil, for