

Supply—Departments Entered

I tell him I have not insinuated any threat. I have merely outlined what I believe to be the facts as far as the wheat pool organizations are concerned. If my facts are incorrect I shall apologize for having given the house wrong information. I believe they are correct and I was referring only to decisions and policies of the wheat pool organizations.

Mr. Churchill: If I have misunderstood my hon. friend I am sorry, and I hope there is nothing like that behind any of his suggestions because I do not think that would be a responsible way to approach this particular problem. As I say, we hope to have an answer one way or the other but whether that answer will be deficiency payments depends upon a careful study of this question and I have pointed out some of the factors which must be considered.

As my hon. friend from Acadia pointed out, the most important thing of all in these days of large production is to dispose of all your stocks, get them moving to market and this, of course, is what has complicated the situation in recent years. Surplus stocks of wheat on the western prairies during the last several years, the inability of the farmers to market the grain stored on their farms, has meant that the income has not gone to the farmer in the year of his production, and then, the general over-all surplus on the North American continent in both Canada and the United States of America has of course had a depressing effect on world markets. These are things over which there is no ready control but, on the other hand, certain steps can be taken and before you reach the stage where you pay a deficiency payment I think some of these other matters should be pressed home until you are very clear that you have done everything possible to ease the situation.

This government's program is aimed in that very direction. The very fact that over the years an initial payment has been made on wheat has stabilized the situation in western Canada to some extent. A few years ago plans were made for the payment of storage charges on that amount in excess of 178 million bushels which over the last three years has resulted in the payment by the treasury of approximately \$95 million as assistance or in discharge of the obligation on the part of the people of Canada to bear some of the burden of storing this surplus wheat. Such a burden should not be borne entirely by the farmers.

Then, last fall we introduced the cash advance legislation which was a stopgap measure designed to put ready cash into the farmers' pockets. The sum of \$35 million was paid out, of which 90 per cent is already paid back. The Export Credits Insurance Act has been used to foster the sale of wheat on terms to certain countries which could not pay cash for it, and great efforts have been made to move wheat from Canada to overseas markets. The success of the exports of this crop year will mean that we will exceed the 300 million bushel quota which we set last summer and that will constitute a record in recent years for the sale of our wheat.

We have undertaken to provide through the Colombo plan long-term loans for wheat and gifts as a result of which about 40 million bushels of wheat have been moved already which otherwise would not have got into the world markets.

I see that my time has run out but I have outlined some of the policies which have been pursued by the government in a serious attempt to assist western agriculture and we are quite prepared to provide a comprehensive agricultural program, introducing measures other than the one proposed by my hon. friend tonight, which in the long run will have beneficial effects on western agriculture and as a result of which the western farmers and all of Canada will benefit.

Motion agreed to and the house went into committee, Mr. Rea in the chair.

The estimates of the following departments were first taken up and entered for consideration:

DEPARTMENT OF CITIZENSHIP AND IMMIGRATION

58. Departmental administration, \$706,492.

DEPARTMENT OF NATIONAL HEALTH AND WELFARE

231. Departmental administration, \$1,441,494.

PRIVY COUNCIL

308. To provide hereby, notwithstanding the Financial Administration Act or the provisions of the Senate and House of Commons Act respecting the independence of parliament, for the payment out of the consolidated revenue fund to each member of the Queen's Privy Council for Canada who is a minister for whom no salary or allowance in addition to the allowances under section 33 and section 44 of the Senate and House of Commons Act is provided (the acceptance of which shall not render such member ineligible or disqualify him as a member of the House of Commons) of a salary of \$7,500 per annum and pro rata for any period less than a year, \$15,000.

Proceedings reported.