

*Wheat—Negotiations with Poland*

The house must realize that this is not a sale of wheat by the government to a government. This was an application by the representative of the government of Poland to know if the Export Credits Insurance Corporation would issue a policy for 85 per cent of the purchase price of wheat for a period of twelve months. They were informed, after the matter had been considered by the government at one of these half-hour meetings that we have at two o'clock to do the business that is urgent, that, if an application were made, a policy would be issued under the usual terms and at the usual rates.

Now, I do not know what has taken place between the vendors of wheat and the purchasers of wheat since that time. The Minister of Trade and Commerce tells me there have been 50,000 tons purchased and paid for. As we understood it, the information that was sought by the representative of Poland was whether there would be the possibility of obtaining insurance on a purchase of 250,000 tons. It is about that that the information was conveyed to them that they could obtain that insurance. Now, the negotiations for the purchase of wheat take place between the purchaser and the wheat board, or there is a transaction such as I saw this morning, a transaction being made or negotiated with the representative of a private organization. That is the situation.

When I informed the house that I understood the negotiations were proceeding satisfactorily, that was the fact. We had said that the Export Credits Insurance Corporation would issue an insurance policy, if it were applied for, on the usual terms. The information we had was to the effect that the negotiations with those who were entitled to sell the wheat were going on satisfactorily but had not been completed.

**Mr. Rowe:** But they were completed.

**Mr. St. Laurent:** I do not think they have been completed at the present time. I have no information about anything but those 50,000 tons bought and paid for.

**Mr. Drew:** The minister says they were.

**Mr. St. Laurent:** The negotiations as far as we were concerned were completed. All we had to do was to say whether or not the Export Credits Insurance Corporation would be prepared to issue an insurance policy. We said that the insurance policy would be issued. But the whole transaction will not be completed until there has been an application for the policy and the premium has been arranged and the payment of the premium provided.

That is the situation. It is an ordinary commercial transaction. We may be making a [Mr. St. Laurent.]

mistake in trusting the credit of the purchaser of that wheat, but we do not think we are making a mistake. The hon. gentleman refers to the Ming Sung guarantee, but that guarantee was given at a time when we were extending loans to all those with whom we had been allied in the last conflict because we wanted to start the ball rolling for the restoration of international trade. Had there not been a revolution in China this loan would have been repaid long since.

If unfortunately a world war should break out before the expiry of twelve months it might be that this obligation for the wheat would not be met within the twelve months, but we are prepared to be sufficiently optimistic about the situation to continue to sell our products abroad on the assumption that there is not going to be a world war within the next twelve months. If that turns out to be wrong, then we will have made a mistake and we will be subject to such punishment as the Canadian people may see fit to mete out. But there is no question of privilege on behalf of any hon. member of this house concerned in the question of our good faith in making that commitment in an effort to find a commercial market for the large quantity of wheat this country has to sell.

**Mr. Drew:** Mr. Speaker, may I point out that there is no question of good faith in carrying out—

**Some hon. Members:** Oh, oh.

**Mr. Drew:** —the transaction; it was a question of privilege in relation to what was said. Your Honour was misled and your words show that Your Honour was misled.

**Mr. St. Laurent:** Mr. Speaker, the Leader of the Opposition has read only part of what you said. What you said is to be found at the bottom of page 5682 of yesterday's *Hansard*, as follows:

It may be that the deal will be made, and at that moment the opposition may enter into its role and criticize the action of the government.

**Mr. Speaker:** May I say that as far as I was concerned my judgment was based mainly on the question of the urgency of debate. That was the first point I dealt with because I began my remarks by saying:

Standing order 31, when it speaks of urgency, means urgency of debate.

That is the point with which I dealt. Then referring to the reply given by the Prime Minister on the previous day I went on to explain further that if the matter was still pending it could not be a definite one. May I say at this point that the first part of my decision was the main part. I said a moment ago, and with all deference to both the Leader of the Opposition and the hon. mem-