

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session — Eleventh Legislature
29th Day

Tuesday, March 13, 1951

The House met at three o'clock p.m.

FIVE-YEAR POOL SETTLEMENT

Moved by Mr. W.S. Thair (Lumsden), seconded by Mr. A.L.S. Brown (Bengough):

“That this Assembly endorses the resolution passed at a joint meeting of the Saskatchewan Federation of Agriculture and the Executive of the Western Agricultural Conference held in Regina on Wednesday, March 7, 1951, as follows:

“That the Government of Canada be asked to pay on the five-year pool settlement at least \$48,000,000 as a return of the subsidy paid by producers on domestic wheat, plus a further substantial payment in addition to the \$65,000,000 token payment already announced in consideration of the “have-regard-to” clause of the Canada-U.K. Agreement.”

Mr. Thair: — Mr. Speaker, the purpose of the resolution is simply to add the voice of this Assembly to the unanimous demand for a better deal for the Western Canadian wheat farmers, and I need hardly remind hon. members that, over the past three months, this demand has been supported by the Canadian Federation of Agriculture, by the three prairie Wheat Pools; it has been supported by the Farm Unions of Alberta, Saskatchewan and Manitoba, and by the Association of Rural Municipalities of this province. It has been urged in the Federal House. It has been published in articles that have been appearing in almost all the leading papers across Canada, even the “Financial Post.” It has covered a great many pages of Hansard and has been the topic of conversation at, I was going to say, every corner store in the province for the past three months. Therefore, I am sure that every member of the House will join with me in supporting the intent of this resolution.

I might say the question of the final settlement of the five-year pool should be familiar to every member of the Assembly, although there have been devious ways of arriving at the amount of it. Proposals for the final settlement of the five-year pool have varied from 15 cents as a minimum to 25 cents and over. I have a copy of Hansard on my desk here in which there is a speech of Mr. Ross, M.P. for Souris, who said it was a 50-cent payment but he would split it in two and make it 25 cents. Mr. Smith of Moosomin would have liked to ask for 25 cents, but was going to be satisfied with less. Hazen Argue and many other members in the House of Commons have spoken on it. It has been threshed out in detail practically everywhere, in every farm organization, particularly in the Farmers' Union, perhaps; and it will, therefore, not be necessary for me to speak at any great length. I will simply highlight the justice of the farmers' demand.

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First of all, Mr. Speaker, the resolution asks the Government of Canada to pay at least some \$48 million as a return of the subsidy paid by producers on domestic wheat.

In the period from 1942 to 1949, the payments from the Federal Treasury show a total subsidy amounting to \$118½ million, which was paid to the flour millers in order to hold the price ceilings on flour. At the same time a recent study of the marketing branch of the Federal Department of Agriculture showed that, in this period, the farmer received an average of 40 per cent of the retail price of wheat flour sold in this period. In other words, Mr. Speaker, to make this plain: the facts indicate that if the price of flour had been allowed to rise by the amount of the subsidy, the wheat producer would have received at least some 40 per cent of this amount, or approximately some \$48 million — that is not including the farmers' share of the subsidy as a taxpayer. Nor is that all, Mr. Speaker. The Canadian wheat growers were also required to provide a very large subsidy on the consumption of wheat which took place in Canada, itself. The hon. members know, that from 1945 to 1947, the domestic price was pegged at \$1.25 a bushel. At that time the United Kingdom price was bringing \$1.55, and world-price wheat ran as high as \$2.43 during that period of time; so to my mind there is no question but that the burden imposed on the wheat growers was far larger than that borne by any other group in Canada.

The Minister of Agriculture (Hon. J.G. Gardiner) himself recognized this situation in 1946, when he told the House of Commons — and I quote from Hansard, August 14, 1946, page 4806:

“In other words, we have been supplying that important food product — that is bread — to the people of this country, to the labouring people and consumers generally, at a lower rate than it is supplied anywhere else in the world.

“I agree with those who say that the whole cost should not be charged up to the farmer, and in discussions in the past I have maintained that too much of the cost has been charged up to the farmer. I still maintain that we should get away from that as soon as we possibly can.”

In view of the facts, Mr. Speaker, the request for a payment of \$48 million to compensate the farmer for the undue burden borne by him in this regard is beyond doubt a very reasonable one.

The resolution also asks for a further substantial payment to be made to the wheat producer in addition to the \$65 million “token payment” already announced in consideration of the “have-regard-to” clause of the Canada-U.K. Agreement.

Mr. Speaker, as hon. members know, the Federal Government somehow took advantage of Mr. Gardiner's empty-handed visit to London, to announce that the final payment on the 1,400,000,000 bushels would be only 8.3 cents a bushel. Of this amount, 4.5 cents a bushel, or \$65 million, represents the full discharge, according to Britain, of the obligations of the Federal Government with regard to the wheat producer. The Government

of Canada has even gone to the trouble of announcing that the payment from the national Treasury represents a payment of 23 cents a bushel on the wheat sold to Britain in the last two years of the agreement. To me, such calculations are completely beside the point, and I believe they are intended to obscure the fact that the Federal Government has failed to live up to its moral obligations in more than a token manner. The word “token” that I have used there is, to me an indication of good faith of a debt or an obligation, but this is only a payment — you can call it a token but it is only a payment, it indicates that they owe more, and this is just a part-payment on their obligation.

However, under the “have-regard-to” clause as a matter of fact, the Federal Government had previously renounced any further claims against the United Kingdom because, as is cited on page 3221 of Hansard, June 5, 1950, Mr. Howe had definitely stated that in the talks at London, and I quote:

“The United Kingdom Government took a very strong position that they had fulfilled all obligations under the clause”.

That is under the “have-regard-to” clause.

Hon. Mr. Nollet: — Have you got the comma in the right place?

Mr. Thair: — I don’t know whether the comma is in the right place or not. To continue Mr. Howe’s statement:

“We agreed, on behalf of Canada, that, considering the circumstances, that was the case.”

The United Kingdom Government did in fact agree to give Canada a preference in 1951-52 wheat purchases, as a clearly understood final concession of any claims which were yet outstanding under the “have-regard-to” clause. In spite of those facts, the Federal Government seeks to use the British Government as a scapegoat for its token payment to the farmers.

The farmers of Western Canada feel most strongly that the Federal Government has a moral obligation and a direct responsibility to more adequately compensate them for the losses they sustained, in the national interest, during the past years. They suggest that this obligation should be discharged by a very substantial final payment on the five-year pool. The hon. Leader of the Opposition (Mr. Tucker) himself has echoed the same thought on several occasions. Recently, he was quoted by the “Leader-Post” as declaring:

“That the only recourse of the farmer was to look to the Canadian Government for a settlement under the ‘have-regard-to’ clause.”

Mr. Speaker, there are several familiar factors involved in this responsibility of the Federal Government, and the first, and perhaps of major importance, Mr. Speaker, is the complex problem of the Anglo-Canadian Wheat Agreement. I need not recite all the detailed figures — they have

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been given a thousand times; but the hon. members will know that a direct loss of over \$350 million represents the difference between the amount actually received by the producers on account of wheat delivered under the first two years of the agreement, and the amount that would have been received if these sales had been negotiated at Wheat Board Class 2 world price. It was against losses of this kind that the farmers were assured they would be fully protected, whether by means of the familiar “have-regard-to” clause, or, in the alternative, by the Federal Government itself.

Very many statements could be cited perhaps, but the correspondent of the “Leader-Post” summarized them all in this way, July 24, 1950, and I quote again:

“The parliament and the country were given the most binding pledge that there could not be any loss, that the ‘have-regard-to’ clause had fully protected the wheat producers.”

There is yet another point why the Federal Government’s so-called compensation is not nearly sufficient — this very solemn assurance was given by the Federal Government, in 1946, that the ceiling price of wheat would be adjusted to take account of the increases in the cost of production.

Let me go back, then, to the Hansard record of 1946 for a moment. Speaking on the Wheat Agreement when it had just been announced to the House, Mr. Coldwell declared on behalf of the C.C.F., and I quote:

“I believe the Government would be well advised to consider the suggestion that, in the event of the costs of production rising for the next few years, as they will do largely because of the Government’s failure to maintain the ceilings, any difference there may be between what the farmer receives for his wheat and the increased cost of production should be made up out of the consolidated revenue fund of Canada.”

In reply to the suggestion by Mr. Coldwell, the Minister of Agriculture (Hon. J.G. Gardiner) made this very significant statement, and I quote again:

“What I want to point out is that under the floor-price measure — that is not the proper name but it will do — we stated to the House that \$200 million was being provided for the purpose of taking care of any adjustments in connection with what might be known as parity on other farm products. At the same time we stated to the House that similar arrangements would be made, if necessary, through the Wheat Board, in connection with grain. I just want to point out that that provision is made in another way.”

Well, Mr. Speaker, in conclusion, with respect to this phrase in the resolution now before you, I quote:

“Plus a further substantial payment in addition to . . .”

I would say, that under this section, any member of this Assembly is quite free to give his own opinion as to what he might consider to be a substantial payment.

I would like to sum up then, if I may, as to what in my opinion would be a further substantial payment. In doing so I would go over these four or five points that I have here. The first one: the funds lying to the farmers' credit in the hands of the Canadian Wheat Board, estimated at around \$53 million, or about 3.8 cents per bushel. Then I would add, Number 2: The funds of at least some \$48 million (which I believe the Opposition are in accord with and all the members of this House) due to the farmers as a return on the subsidy paid by producers on wheat used for domestic consumption. On the total of 1,400,000,000 bushels of wheat sold over the five-year pool, that would be about 3½ cents per bushel. Number 3: I would have the so-called token payment announced in consideration of the “have-regard-to” clause of the U.K. Agreement by the Canadian Government. This was supposed to be the balance of a loan to Britain which was cancelled recently, and they thought it could be used for that purpose — the amount was \$65 million. This money, of course, is really a direct payment from the Federal Treasury, and would average, according to the Prime Minister of Canada, what he called a 23-cent payment on the 280 million bushels for the last two pool years; but I am counting it over the whole five-year pool to be a payment of 4½ cents.

Then, with regard to this phrase “a further substantial payment in addition to the \$65 million”; under this section of the resolution, I have built up this argument, a few minutes ago, of \$350 million, which was the loss on the “have-regard-to” clause for those first two years, and while the Government of Great Britain had believed that they had completed their agreement, the Government of Canada as our agent have a moral obligation and it is their responsibility.

However, 13 cents a bushel on the whole five-year pool of 1,400,000,000 bushels would mean — and that is the amount I am stating in my own personal opinion — would be \$182 million, so the total would be \$348 million — or a total of 24.7 cents per bushel, when it is all added up.

I believe I have quoted that the Leader of the Opposition said, the other day, that the loss on the British wheat contract was \$400 million — according to the “Leader-Post” here, and I will just quote:

“Had the British Government paid the same price for wheat supplied under the British contract as other countries paid for Canadian wheat, it would have had to pay over \$400 million more than it did.”

That was the statement made by the hon. Leader of the Opposition, the other day.

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Mr. Tucker: — On a question of privilege. I know my hon. friend would not want to put my viewpoint improperly. What I said is correct, but I went on to say that there was no assurance that we would have had the same Class 2 price if it had not been for the British Agreement, and account had to be taken of that.

Mr. Thair: — I might also say that there is another political leader in the province here, who has put the figure at \$600 million, so I think we are very moderate in our request. So I will close with the short statement that, for all these reasons that I have quoted, Mr. Speaker, the western wheat producers are convinced that the Federal Government today does bear a direct moral obligation to make a much more substantial payment in compensation for the very unfair burden that was shouldered by the wheat producers of Western Canada. I therefore move, seconded by the hon. member from Bengough (Mr. Brown) the Resolution which stands in my name.

Mr. A.L.S. Brown: — Mr. Speaker, you will recall that our hon. friend from Lumsden had, on two previous occasions, placed on the Order Paper and had to withdraw motions dealing with matters relevant to this particular motion which is now before the House, and I think you will also recall, Mr. Speaker, that there is an old saying that ‘hell has no furies like that of a legislator with a speech undelivered’. Yet in spite of the fact that the hon. member for Lumsden had to readjust his speech to meet and conform with the present resolution, I am satisfied that all members of the House will agree that the member for Lumsden has presented the case and the needs of the western wheat grower in a manner and in a form which cannot be denied by anyone. Possibly, the greatest contribution which I could make to this debate would be to say “me, too” and sit down.

However, realizing the importance of this question, and further realizing that it may be necessary to repeat some of the things which have already been uttered in this House, and possibly to make reference to some of the remarks made by the member for Lumsden, I suggest, Mr. Speaker, that there is so much involved and the question is so involved in this particular issue, that it is necessary for us at least in our own minds to have a clear understanding of what is involved.

You will recall, Mr. Speaker, that, on one other occasion in this House I made reference to the fact that there was, in my opinion, no one single issue as involved as the settlement which may be arrived at in connection with this five-year pool. You will further recall, Mr. Speaker, that I suggested that, in my opinion, the payments which we could expect under this five-year pool would vary somewhere from zero up to \$300 million; and after the announcement which was made in the Federal House by the Prime Minister, a few days ago, the figure of zero which I gave was pretty close to what we could expect under that payment, when he suggested that all we were entitled to as producers of wheat was the amount which was in the pool of some 3.8 cents per bushel, averaged over the five-year pool, plus a token payment of \$65 million.

At the outset, Mr. Speaker, I would not want any of the members in the Opposition, to conjure (as they did some of the remarks made by the Premier here, on a previous occasion) that we were in any way opposed to the marketing of our products through an agency such as the Federal Wheat Board, nor are we opposed to the principles involved in long-term contracts inaugurated and enunciated in the Anglo-British Wheat Agreement. I suggest that there is no political party, in Canada, which has consistently advocated socialized marketing — and in this particular case, nationalized marketing — to the extent which we have. We have, time and time again, in this House and at our conventions and on public platforms throughout this province, substantiated our claim that we believe the only way that we could bring security to the agricultural economy would be to put through long-term, or at least through contracts between countries, such as was inaugurated and enunciated in the Anglo-British Wheat Agreement.

It was not the fault of the principle involved in marketing through an agency such as the Wheat Board, it was not the fault of the principle involved in contracts between countries, that made this five-year pool not necessarily work in the interests of the producers. Rather it was the fault of the fiscal policy of the government of Canada. It was their fault to the extent, Mr. Speaker, that they were not prepared, as was advocated by this Legislature and by the party in power in this Legislature, to inaugurate a system of price control in this country, particularly a price control affecting those commodities that enter into the cost of production of agricultural products. It was their fault to the extent, Mr. Speaker, that they were not prepared to enter into a true international trade in which they were prepared to exchange our goods for the goods of those countries whom they expected to buy from our country and to whom they were exporting.

Mr. Speaker, the story of the development of the Wheat Board is a story that is mingled much with romance and closely associated with the development of the agricultural industry here, in Saskatchewan. It was only through the medium of an agency such as the Wheat Board that we were able to get that little bit of security which we have got, and that little bit of stability that we have got, within our agricultural economy at the present time. But the fault lay, Mr. Speaker, and I repeat; the fault lay with the fiscal policy of the Government of Canada, because we had in power a government which by enunciated policy was opposed to a planned economy and orderly marketing system. I suggest, Mr. Speaker, that we in Saskatchewan have got to accept some responsibility for the fact that we have a government at Ottawa of that type. In 1945, in the general election which was held, we sent some 18 C.C.F. members to Ottawa, who believed and who were prepared to advocate that we should have a planned economy coupled with orderly marketing. In 1949, we here in Saskatchewan, along with many other people in Canada, to a degree changed our minds — at least to the extent that we did not send down there the same number of people who were prepared to speak in support of the theory of planned economy and orderly marketing.

The story behind the development of the Wheat Board is a story that tells the heartaches and the struggles of the pioneers of this province; and intermingled with that story is the life story of many of the pioneers of this province. To refer to only three or four of them: it is the life story of men such as Partridge of Sintaluta; McPhail, vice-president of the Wheat Pool; Motherwell, a Liberal, it is true — he was the Liberal

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Minister of Agriculture, but he was a Liberal with a small 'l'. The life story of men such as George H. Williams, one of the founders of the political party with which I am glad to associate myself. That story tells of how these pioneers, in the desire to pave some economic security, asked first of all for government regulations in connection with their marketing. It tells the story of how the producers were prepared to take direct action towards the inauguration and setting up of the Wheat Pool and establishing central selling agencies, and finally, through evolution, we have come to reach the stage where we have a national marketing board. The onus is upon us in this House to formulate public opinion, which is necessary, and for the people of Saskatchewan to realize that, before they can have a true national marketing scheme which works in the interests of the people, they must have in the government which is putting into effect that national marketing scheme, a group of people who believe in the theory not for political advantage, but believe in that theory in the interests of the producers and in the interests of Canada.

In 1946, the then Federal Government decided that they would undertake a pooling arrangement in which we would pool the returns for our wheat over a five-year period, the farmers of Western Canada no doubt had a right to believe that, through this medium finally, we were going to have an increased amount of security and stability in our agricultural industry. Furthermore, when the Federal Government undertook to enter into a contract with Great Britain in a bi-lateral form of agreement, we had the right to expect that here for the first time we were assured of a market for at least a portion of our grain, a market at a price commensurate with the cost of production. And what was more than wishful thinking at that time, Mr. Speaker, there was the statement referred to by my friend from Lumsden, the statement made by the Hon. Mr. Gardiner, then and now Minister of Agriculture, in which he suggested that, in the final settlement of this pooling arrangement, the question of parity would be taken into consideration. The political group with which I am associated and this Government are, I think, generally agreed that here was at least a semblance of something for which we had been working for a long time. We also realized that we had at Ottawa, a government which is not necessarily the same for fulfilling the commitments which it made, and we accepted that contract and that arrangement with some reservations. I wish to place on record, a resolution passed by our C.C.F. convention, not in 1949, not in 1950, but rather, in 1947, which indicates that there were some people, at least, in Saskatchewan with sufficient foresight to realize that, sooner or later, we may get into the mess which we are in at the present time. And for the record I read:

“WHEREAS we agree that the principle of long-term agreements for the sale of major agricultural products is sound, but to make this effective a system of parity prices must be established;

“WHEREAS world prices and Canadian prices in particular are now, due to the removal of controls, being established at levels considerably above those of 1945;

“WHEREAS the Federal Government has on occasion set prices of domestic markets on exports to Great Britain below the prevailing world price;

“THEREFORE BE IT RESOLVED that we demand that this unfair treatment of the wheat producers cease and the nation as a whole pay this subsidy;

“BE IT FURTHER RESOLVED that the Canadian Government, through the Wheat Board, pay an interim payment at the end of each crop year so as to bring the prices received by the producer up to parity, and that this provision be retroactive to 1945-46 crop year.”

I put that on the record, Mr. Speaker, to indicate that we have always stood behind the principle of parity, that we do not, as producers, and as members of the C.C.F. Party and as members of this Government ask that we should receive the highest possible price for the products that we produce, but rather that we should receive a price for those products that will compensate for and be in a true cost relationship with, the cost of production.

Mr. Speaker, I would like for a moment to refer somewhat briefly to the history of this Wheat Board. I refer back to the time when the initial payment was \$1.25. This initial payment made was increased to \$1.35 through the medium of an interim payment in the crop year of 1945. It was later increased by another 20 cents to \$1.55; but at no time, Mr. Speaker, was the principle of parity accepted in the making of these payments. They were simply an accumulation of funds within the pool. It was our money paid to us as producers. And then, we come to the 20-cent interim payment paid in 1949, the payment which increased the initial payment for the crop year 1949-50 from \$1.55 to \$1.75. You will recall, Mr. Speaker, that this was made just previous to the general election of 1949. It may have had some influence in the number of Liberal members returned to Ottawa at that time. I think the interesting part about it is that they had to borrow that money to make this payment, and we, as producers, paid interest on the money supplied to buy our vote at that time.

Mr. Tucker: — Only a small part of that money that was paid out had to be borrowed. You are afraid to complete the statement. Mr. Speaker, you have time and again permitted members of the Government to correct an obvious mistake . . .

Mr. Speaker: — That is not a point of privilege.

Mr. Tucker: — Well, it is a point of order then. And I say that that statement is absolutely incorrect. There was only a small part of the money paid out that was borrowed.

Mr. Speaker: — It is not a point of order. You are simply arguing now.

Mr. Tucker: — Well, why do you permit members of the Government to make these points?

Mr. Speaker: — Order, order!

Mr. Brown: — Well, Mr. Speaker, if they had been sincere at that time and were making a payment to us to compensate us for the increased cost of production, they would not have taken it out of the pool, but rather they would have taken it out of the Federal Treasury. If they had

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done that, Mr. Speaker, instead of having left in the pool at this particular time 3.8 cents to pay out to us, they would have 23.8 cents and I am satisfied that if they had done that, the majority of farmers would have accepted it as a fair deal — and 23.8 cents is .9 cents lower than the amount suggested by the hon. member for Lumsden. Nevertheless, if they had followed the principle in 1949 of inaugurating parity, we might have been satisfied at the present time. Furthermore, if they were prepared to add this 4.5 cents (which is the \$65 million token payment), it would have brought the payment up to 28.3 cents with which, I am satisfied, the majority of producers would have agreed.

I suggest, Mr. Speaker, that they had no thought of parity, no thought of the cost of production or the increased costs of production which have occurred between the time of the inauguration of the pool and 1949, but rather it was simply a political fraud. My hon. friend across the way threw around the term 'political robbery' here, yesterday. Well, I suggest that it was a political bribe which was inaugurated and put into effect in the 1949 Fall season.

Mr. Tucker: — Were you against that payment?

Mr. Brown: — This, Mr. Speaker, brings us up to the present moment. We have received through the Wheat Board, and strictly from the Wheat Board, \$1.75 delivered during the period of the 5-year pool. And, now, Mr. Speaker, we have suggested that we will take out of what is in the pool, 3.8 cents per bushel — and it was suggested by the hon. member for Lumsden as enunciated by the Prime Minister when he made this announcement in the House that it was 23 cents on the last two years of the pool. It is beyond me, Mr. Speaker, how any type of mathematician could arrive that this token payment of \$65 million should be applied in any respect to the last two years of the pool. Rather it is a token payment to be paid over the entire period, which makes a basic payment of approximately 4.5 cents on the amount of wheat delivered during the 5-year period. It is referred to in the resolution as a 'token payment'. Possibly a better terminology in connection with this would be a 'bounty payment'. It is the amount, no doubt, arrived at by the 'brain trust' in the Federal Government as the least amount of money which they think can satisfy and possibly squelch the revolution that is apparently developing here in Western Canada particularly among the wheat producers.

Since this announcement was made and the dissatisfaction which this announcement of payment has created in Western Canada was realized, there has been raised the issue of who owes this money. My hon. friend in the Opposition suggests that this money — that any additional amount of money that we could rightly expect from the pool — is owed to us by the British Government. The Leader of the Opposition, as reported in the "Leader-Post" in a report of his broadcast last Friday night, apparently went to great pains to prove to the farmers of Western Canada that there is a considerable amount of money owing to them by the British Government and the British . . .

Mr. Tucker: — Mr. Speaker . . .

Mr. Brown: — My hon. friend may have had his own remarks, but he is all alone. You have only to refer to the statement referred to by my hon. friend from Lumsden when he quoted from Hansard of June 5 in which Mr. Howe, or one of the senior members of the Ottawa Government, put it irrevocably on record that the British Government had fulfilled its obligations under the contract. It is true the hon. Leader of the Opposition, together with his colleague in Ottawa, the hon. Minister of Agriculture there, went to great pains in an attempt to prove and suggest that Mr. Howe, when he made this statement, did not mean what he said. Now, Mr. Speaker, I don't think that when one of the "backbenchers" at Ottawa, the Hon. James G. Gardiner, attempts to question the statements made by the senior member of that government, the Hon. C.D. Howe, who in my opinion is the Government to all intents and purposes to the extent that he represents 'big business' in the Government at Ottawa. When a backbencher of the Government, as is Mr. Gardiner, will undertake to question the statements made by Mr. Howe, I gravely doubt if it is going to bear much weight in the House of Commons or if it is going to bear much weight out in the country. To prove that it did not bear much weight in the House of Commons, we have the report of a statement made by Mr. Howe in Ottawa just yesterday in which he reaffirms the statement which he made at that time. As reported in the "Leader-Post" he said:

"As for his much-quoted remark in the House on June 5th last, which Mr. Gardiner had been at great pains to show were not quite correctly recorded on Hansard, the Trade Minister said that these words 'uttered on the spur of the moment and in the heat of debate put the position as I have stated and I have no desire to alter them in any way'".

The hon. Leader of the Opposition is indeed alone. He has been repudiated by who, I suggest, is the true government of Canada, the Hon. C.D. Howe.

Mr. Tucker: — Most of the farmers in Saskatchewan agree with me, though.

Mr. Brown: — Now, Mr. Speaker, I wish to make reference to the \$48 million, which is suggested in the resolution, which is owed to the wheat producers of this country as the amount which was paid by them as a subsidy to the wheat consumers and the bread consumers of Canada. I certainly have no objection to providing subsidized bread to the people of Canada, but I suggest that if we are going to provide subsidized bread to the people of Canada, it is the responsibility of all the people of Canada and not necessarily just those particular people engaged in that occupation. This \$48 million represents the difference between the contract price and the price which the millers paid to the Wheat Board, and that was during the period of time when the contract price called for \$1.55.

Now, Mr. Speaker, we all agree that the cost of production has increased. I think that is a generally accepted statement even by my friends of the Opposition, and if we have got to assume some figure, for the basis of my particular argument at the moment, I will assume that the cost of production has spread over the 5-year period per bushel of wheat

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somewhere in the neighbourhood of \$2 a bushel, and I think from any authoritative information which anyone is able to arrive at, that that is not an unfair figure. Assuming that the cost of production was \$2 per bushel, that means that wheat producers, in relationship to the cost of production, subsidized the bread consumers of Canada to the tune of another 35 cents a bushel, or to the tune of another 72 millions of dollars, making a total of subsidy actually paid to the consumers of bread, based upon cost of production, of some \$120 million in relation (I'll repeat once again) to the cost of production, not in relation to the contract price.

I do suggest, however, that there might be some argument and some may question my use of \$2 as too high. I don't think it is, but there may be some argument on that. But there is no question of the \$48 million; that was unquestionably and unalterably paid by the wheat producers to the consumers of Britain. That \$48 million represents approximately 3½ cents a bushel spread over the 5-year period. If we were to take this other \$72 million as a subsidy, that would be another 5 cents a bushel, or a total of 8½ cents a bushel. We have in the pool, as I have suggested before, an amount of some 3.8 cents per bushel. We were lead to believe that it was 5 cents, and on the final winding up of the pool it turns out to be 3.8 cents. We take those three figures; take the amount on which there is no question as to the subsidy paid, and we take the amount which is already in the pool, and to that amount we add that which I suggest, a subsidy paid by the producer, and we get 11.3 cents or 3 cents higher than that paid already or prepared to be paid by the Federal Government through the Wheat Board at this particular time.

I suggest, Mr. Speaker, that in putting into effect this Anglo-British wheat agreement, the Canadian Government acted as our agents; they were our agents. I suggested a few moments ago, Mr. Speaker, that there was some question as to who owed this money. Well, Mr. Speaker, insofar as the Canadian Government through the Wheat Board acted as our agent, I don't think that we as producers have any right to go beyond our agent in asking for a final settlement or asking for a just settlement.

Mr. Tucker: — Why not?

Mr. Brown: — The Canadian Government, by virtue of the fact that we placed them there, through the Board, and by virtue of the fact that they accepted the responsibility of being our agent, must accept the responsibility for the fact that if they did, we are unable to get the best possible deal and the best possible arrangement in the interests of the whole Canadian economy — that they must accept responsibility to see that those producers of wheat whose commodity they were handling, give the farmers somewhere near the cost of production.

I suggest, further, Mr. Speaker, that they could have very well provided us with somewhere near the cost of production. You will recall, Mr. Speaker, that following the war there were subsidies paid not in the tune of millions of dollars, but subsidies paid to the tune of billions of dollars to compensate those people who were producing for less than the cost of production, and they were paying the farmers to provide this subsidy to those people who were producing for less than the cost of production

from mainly Excess Profits Tax. I think that itself clearly indicates the thought and the intentions of the Federal Government. They were prepared to take off the Excess Profits Tax which was providing the funds to pay the subsidy and by virtue of the fact that they took off the Excess Profits Tax, they made it virtually, to a degree at least, impossible to continue the principle of paying subsidies to those people who were and who have been producing below cost of production.

I suggest, Mr. Speaker, that the Federal Government has more than a legal responsibility. They have a legal responsibility by virtue of the fact that they acted as our agent in this particular case; but they have a moral responsibility, too. Either the agricultural industry here in Canada is important or it is not important. If it is not important, then I think that it is the duty of the Federal Government to see that we get off the farm and quit producing wheat, quit producing food. But if our agricultural industry is important to our economy, then I suggest that it is the responsibility of all the people of Canada, through the national government, to see that we are able to collect the cost of production for the goods which we produce and that we are able to maintain those people who live on the farms and are engaged in that industry on a level of a standard of living comparable with other occupational groups in Canada.

I say they have more than that, Mr. Speaker: they have a promised responsibility to those Western wheat producers for a further payment other than the token or bounty payment which they suggest they are prepared to make. They have a promised obligation made in 1945 when they entered into this idea of pooling the wheat agreement, the farmers' obligation which was enunciated here by my friend from Lumsden. And then again in 1949 when they made an interim payment of 20 cents a bushel, the wheat producers of Western Canada were led to believe that they had a right to expect a payment at least equal to the amount involved in that interim payment, which would have been at least 20 cents a bushel.

Now, Mr. Speaker, what do I suggest is the problem? something of a substantial payment in addition to the token payment which has already been suggested that the government is prepared to make. My hon. friend from Lumsden arrived at this figure of 24.7 cents per bushel. I suggested a few moments ago that I had arrived at a figure of 28.6 cents. I don't think, Mr. Speaker, that the exact figure is very important. But I do think this is important. There is this main factor which should be taken into consideration, and that is the figure of parity which is related to the cost of production. I suggest, Mr. Speaker, that it is somewhere in the neighbourhood of \$2 a bushel which was the true cost of production during that 5-year period. And if \$2 a bushel was the cost of production, it means that the farmer's settlement should be somewhere in the neighbourhood of at least 25 cents a bushel. This means, Mr. Speaker, that we have this \$48 million which is the question involved — the hon. members agree with it; we have the \$65 million as a token or bounty payment already suggested by the Federal Government that they are prepared to make. That requires to bring this up to 25 cents a bushel an additional payment of the sum of some \$200 million dollars. I suggest that if the Federal Government is prepared to put into that fund a substantial payment of \$200 million dollars then it will meet with the general approval.

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Now, Mr. Speaker, \$200 million sounds like a lot of money, but I notice in the morning "Leader-Post" where the Defence expropriations have allowed \$1,700,000,000 brought down in the House at Ottawa. I am not arguing against the question of whether we here in Canada should be spending \$1,700,000,000 in a defence programme. Maybe we should. That is not the point under discussion. But I suggest, Mr. Speaker, that if they took 2½ per cent of this \$1,700,000,000 and paid it over the 5-year pool, with 2½ per cent for each year of that 5-year pool, it would bring to the Wheat Board and in turn to the wheat producers \$200 million. I suggest, Mr. Speaker, that in a defence programme, and particularly the programme of providing peace and security for ourselves, the importance of having the agricultural industry on a sound basis is important, and I suggest, that if we are going to have peace in the world, we must have an increased production of foodstuff to put on the market of the world to feed the hungry people of the world, irrespective of where they may be.

I suggested a moment ago that there was put into this pool, at the present time, 4.5 cents as a payment — the \$65 million works out to 4.5; and I suggest, Mr. Speaker, that that was put in there as a bounty payment, and I can recall some other bounty payments which were made in connection with wheat. I can recall (and there is no question but that you can, Mr. Speaker) back to 1933 and 1934, when we were asking at that time not for parity prices but for simply enough to keep body and soul together, and, in that day, they saw fit to pay us a 5-cent bonus. The Government of today sees fit only to pay us a 4.5 cent bonus. Apparently, we have got, even from the days of R.B. Bennett, a half-cent a bushel less.

Possibly some of the members opposite will suggest that I have injected into this discussion a political note which was not necessarily desirable at this particular time, but I make no apologies for any of the remarks that I have made Mr. Speaker. I joined the Co-operative Movement so that I might, literally by my economic boot-straps, pull myself, along with others, out of the economic mire in which we have found ourselves. I joined the organized Farm Movement along with many other farmers, as we thought it was right that we should have a movement and a group which was prepared to speak collectively for the farmers, and I joined the Socialist Movement, Mr. Speaker, as a protest against human suffering, particularly the suffering that was going on on the farms here in Western Canada. And, I suggest, Mr. Speaker, that we have shown, time and time again, that it is necessary to take political action to obtain those necessary justices for ourselves.

You will recall, Mr. Speaker, that in the winter of 1942, we sent a delegation down to Ottawa, representing the farmers here of Saskatchewan — a delegation which asked for \$1.00 initial payment on our wheat, and that the final settlement be based on parity. There was not a great deal of action taken on that, Mr. Speaker, until we had a by-election in the constituency of Humboldt and a by-election in the constituency of Selkirk; and it was not until then we had the semblance of an effective Wheat Board, and some semblance of an organized marketing for our wheat. We here in Saskatchewan, sent three C.C.F. members to Ottawa, and I make no apologies for that; but I realize that, in the final analysis, we are not going to get that which we want until we have in Ottawa, as we have here in Regina, a government geared to the principle of planned economy

and orderly marketing.

In conclusion — and I can assure you that these are my concluding remarks — I, Mr. Speaker, am somewhat more cynical than I was when I joined public life some 11 or 12 years ago. I have realized, as I suggested here a moment ago, that in order to meet our wishes, we must be prepared to co-ordinate our activities in the co-operative movement, in the organized farmers' movement, and our political movements, with a common goal in sight. For that reason, Mr. Speaker, I have no hesitation in supporting the desires and the needs and the requests of the organized farmers, personified through the Saskatchewan Federation of Agriculture, and the executive of the Western Agricultural Conference, held in Regina on Wednesday, March 7, in which they committed the resolution which my hon. friend from Lumsden has endorsed and which I am proud to second.

Hon. L.F. McIntosh: — Mr. Speaker in rising to take part in the debate on this Motion, I would wish to make first a few general statements prior to an attempt to develop an argument that I hope will prove that the wheat growers of Western Canada have a just claim on a further substantial payment. Of the 1,430,000,000 bushels of wheat that went into the five-year pool, slightly under 18 per cent was entrusted to the exclusive marketing of the Canada Wheat Board. The balance of that vast amount of wheat was subject to some form of government regulation or restriction in the marketing field. Secondly, I would like to mention that I am quite confident that the Government of Canada, acting as the agent of the wheat growers of Western Canada, must be held responsible for a final accounting to the thousands upon thousands of wheat growers who contributed 1,430,000,000 bushels of wheat to the five-year pool.

I would like to make this further observation, Mr. Speaker, that not one five-cent piece from the public treasury of Canada has been used to subsidize the wheat growers of Western Canada since 1938. All the carrying charges, operating costs, the marketing of the wheat, were carried from the sale price of the bushel of wheat. That probably cannot be said for other foodstuffs that have been marketed since 1938.

I was interested, Mr. Speaker, when listening to a radio broadcast a few nights ago, to hear the hon. Leader of the Opposition infer that a statement I had made previously on the floor of this Legislature, could have had quite a substantial effect on the decision of the British Government. Then, in the "Leader-Post" of March 12th is an item under the heading "Liberal Party Pledges Support for Increase in Wheat Payment".

Gov't. Member: — Eight cents.

Hon. Mr. McIntosh: — I quote:

"Mr. Tucker charged that the stand taken by Municipal Affairs Minister McIntosh and Premier Douglas that Britain had overpaid Western farmers

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under the Wheat Agreement by over \$260 million, could not have been other than harmful to the interests of the producers when negotiations for a further British payment were in a critical stage. He said Mr. McIntosh had made the statement in the Legislature a few days before Agricultural Minister Gardiner and J.H. Wesson, president of Saskatchewan Wheat Pool had flown to London in a futile attempt to obtain additional payment from Britain under the contract.”

Now, Mr. Speaker, the mover of this resolution quoted a statement that was placed upon the record by the Hon. Mr. Howe on June 5, 1950. Might I just add to that a quotation from the “Canadian Weekly Bulletin”, Information Division, Department of External Affairs, volume 4, number 40, August 12, 1949, under the heading “Wheat Agreement Fulfilled.”

“‘The terms of the Canadian-U.K. Wheat Agreement for 1948-49 have been fully carried out,’ the Minister of Trade and Commerce, Mr. Howe, stated on August 3rd. Final transactions to complete the third year of the Agreement were concluded on July 27th between the Canadian Wheat Board and the Import Cereals Division of the United Kingdom Ministry of Food.”

And then, the statement of Mr. Howe, page 3221, Hansard, June 5, 1950:

“The matter of the ‘have-regard-to’ clause was discussed in great detail during our sessions with Sir Stafford Cripps and other Ministers of the United Kingdom Government. The whole situation was reviewed. The United Kingdom is just as positive as I have been in my statements in this House as to what the world price of wheat really was in those periods.”

My hon. friend said the world price was the price in the local market to which Canadian grain is not permitted access. Further on, he states:

“We went over the Agreement while in London. We asked the United Kingdom Government what further settlement it is to make on account of the ‘have-regard-to’ clause. United Kingdom Government took a very strong position that they had fulfilled all obligations under that clause, insofar as the United Kingdom was concerned. We agreed, on behalf of Canada, that considering all circumstances, that was the case.”

Then, Mr. Speaker, in order that the records may be finalized, the “Leader-Post” of this morning had this to say, under an Ottawa dateline:

“Making a second and dramatic entry into the wheat debate in the Commons, Monday night, Rt. Hon. C.D. Howe, Minister of Trade and Commerce, said he deplored greatly the suggestion that the British

Government had not played fair with the Canadian people in the settlement of the four-year Canadian-United Kingdom Wheat Agreement.”

Further on, he said:

“Mr. Howe declared that the British Government had discharged its legal obligations under the Agreement and is not in default. When he was in London last May, he said, the British maintained they had discharged their obligations under the Agreement. They pointed out that there were risks on both sides in entering into an Agreement for four years ahead covering such large quantities of grain.”

And might I go on further, Mr. Speaker, and still quoting:

“That was an understandable attitude and, while I might have wished that the British Government could have seen the advantages to them of making some further payment to Canadian wheat growers, I could not conscientiously say that they were in default under the Agreement. I so reported to the Cabinet, to this House and to the Western wheat producers.’ As for his much quoted remarks in the House on June 5th, last, ‘Mr. Gardiner had been at great pains to show we are not quite correctly recorded on Hansard.’ The Trade Minister said that these words, ‘though uttered on the spur of the moment and in the heat of debate, put the position as I have stated it and I have no desire to alter them in any way.’”

Then, if we wish any further record . . .

Mr. Tucker: — Do you agree with that?

Hon. Mr. McIntosh: — I am dealing with that, my dear friend. Then, in order that we might keep the records straight and to try to convince the public and this House that what I said on the floor of the Legislature was not responsible for the finalizing of the U.K. Wheat Agreement, I quote from “Saturday Night”:

“The four-year wheat contract with the U.K. came to an end last July. Before that time, C.D. Howe, the Minister responsible for wheat marketing, discussed its final settlement in London. The British were, and are, completely convinced that they have fulfilled all their obligations. Howe agreed with them, as he told the House of Commons on June 5th, and as the documents will prove if they are ever produced.”

Now, Mr. Speaker, probably we could go on a little further if the hon. Leader of the Opposition is not yet convinced that there was a final settlement made some months ago.

Mr. Tucker: — I want to find out whether you agree with us or not.

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Hon. Mr. McIntosh: — The final settlement was negotiated in May by the Rt. Hon. C.D. Howe, not Mr. Gardiner, and announced in the House of Commons on June 1st. Mr. Ross of Souris asked — page 3222, Unrevised Hansard: “I take it there is to be no further settlement expected from Britain under that contract.” Mr. Howe replied: “That is correct.”

Now, Mr. Speaker, may I try to follow up where the hon. member from Bengough left off. Mr. Brown reviewed the early struggle of the farmers of Western Canada in their effort to build for themselves an orderly system of placing their main cash commodities on the domestic and the international market.

I happened to be in London, England, in May of 1945, and in attendance at the first International Conference of Producers. There were some 32 countries represented. Many of them were represented by the national leaders of their farm organizations. Other countries were represented by Government appointees. One of the interesting statements at that first conference was made by Sir Boyd Orr:

“(1) Can the cultivated acres of the world feed the people of the world? Can the nations of the world distribute the foodstuffs of the world to the people of the world, in order that we, as the primary producers of foodstuffs throughout the world, may make our full contribution to a peaceful and happy world?”

So there, at that conference, men sat down in an effort to devise ways and means of securing the last pound of food from the cultivated acres of the world and of taking that food and distributing it in such a way that it would bring a measure of happiness and peace to the countries of the world. While this conference was in progress bilateral agreements were in effect. Australia, New Zealand and Argentine were particularly interested in the marketing of meats and dairy produce; the little country of Denmark was particularly interested in the marketing of cheese, butter, eggs and bacon; we, here in Canada had arranged with the Government of Great Britain, bilateral trade arrangements whereby there were certain agreements respecting the marketing of bacon, cheese and eggs. The farmers’ representatives of Western Canada were particularly interested in wheat, interested to some extent in dairy produce. The representatives who attended that conference from Eastern and Western Canada were interested in the marketing of fruits and other dairy produce. So the delegation from these three Western plains devoted a great deal of study and thought to the question of marketing Canada’s wheat in such a way that the peoples of the world would get the utmost benefit as a result of the labours of the wheat producers.

While in London on this occasion, I had an opportunity to discuss bilateral and multilateral trade with Mr. Ben Smith, who at that time was Minister of Food; a little later on with Mr. Strachey and also with Mr. Ben Williams, Minister of Agriculture. These men were of the opinion that a great deal of benefit could be derived from bilateral agreements, although each and every one agreed that the ultimate goal in the marketing of surplus foodstuffs would be through multilateral agreements

and multilateral arrangements. At that time there were discussions by committees on an international wheat agreement. The tendency at that time was to move toward the whole question of multilateral agreements. Insofar as their wheat was concerned, the Government of Great Britain, along with the Government of Canada, signed an agreement, July 26, 1946. That agreement made provisions whereby the Government of Canada agreed to supply the Government of the United Kingdom with a minimum of 600 million bushels of wheat, spread over a period of some four years, starting with the crop year 1946-47 and ending with the crop year 1949-50. The clause dealing with this quoted the price — \$1.55 for the first year, \$1.55 for the second year, and in respect of the wheat bought and sold in the crop year 1948-49, \$1.25; in respect of the wheat bought and sold in the crop year 1949-50, not less than \$1.00 a bushel.

Then, section (b) made reference to what has now become the famous “have-regard-to” clause. As I mentioned, Mr. Speaker, the total volume of wheat handled directly or indirectly in the five-year pool, covering the crop years 1945-46 to 1949-50, inclusive, was 1,430,000,000 bushels. Now, if we exclude the sale of 200 million bushels of that wheat the year prior to the four-year agreement which I have referred to, we will find that there was available, or delivered by the farmers and available for marketing, in the four years of the British Wheat Agreement, 1,128,000,000 bushels of wheat. Now the sale of this wheat was divided, roughly, into three categories; (1) The Canada - U.K. Wheat Agreement, 630 million or 56 per cent of that 1,130 million bushels; for domestic consumption, 260 million or 23 per cent; the Wheat Board sales of class 2 wheat were 200 million bushels, or just under 18 per cent of the total. In addition to that, the Wheat Board channelled 38 million bushels of wheat under the International Wheat Agreement, which amounted to 3.3 per cent of the total amount of wheat available for markets during those four years.

Now the 630 million bushels of wheat, if we take the weighted average, including the 5-cents-a-bushel carrying charge, were sold for \$1.79 a bushel basis No. 1 Northern in store Fort William, Vancouver or Churchill. On the domestic market, as I mentioned before, there were 260 million bushels or 23 per cent, and the weighted average in which that was disposed of was \$1.76. Now we come to the “free wheat”, that is, the class 2 wheat; that is the wheat for which the Canada Wheat Board accepted full responsibility; that is the wheat they went out on to the markets of the world to sell; that is the wheat for which they were responsible for establishing a price and accounting fully to the wheat farmers of Western Canada. They sold 200 million bushels, as I stated before, just under 18 per cent of the total, and the weighted average price they received was \$2.35 a bushel.

Now we come to the question of a world's price of wheat as mentioned in the Canada - U.K. Wheat Agreement. There has been a considerable controversy as to what the world price of wheat was during the period under review, or what the world price of wheat is today. After all, years ago when there were the so-called free and speculative markets for the movement of wheat into the various consuming channels, Liverpool was looked upon as fixing a general base price. Chicago was considered a very important market. Winnipeg was considered also to be an important

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grain market. Since the war broke out there have been no grain markets, or rather during the period under review, Mr. Speaker, there have been no European open grain markets in operation; the Winnipeg grain market was not functioning as we had known it to function in the past; the Chicago market was functioning on the basis of a domestic price which recognized parity on the American market and could not be expected to reflect the values at which wheat was exchanging through the countries of the world.

So, when we come to this question of “regard-to”, we find it very difficult to decide what a world price was. I am not sure what credence or weight we should place upon the amount of wheat sold by the Wheat Board and the price which they received for that wheat, but I would like to again quote, Mr. Speaker, that the Wheat Board marketed just under 18 per cent at a weighted average price of \$2.35 a bushel. Now, some might argue that had we not taken 630 million bushels off of the markets of the world and placed that 630 million bushels in the hands of the Wheat Board, would they have received the average that they did receive, \$2.35 a bushel?

In considering that Mr. Speaker, I think it might be just as well to keep in mind that if that 630 million bushels were placed in the hands of the Wheat Board, the British market would have been available for Canadian wheat and, under normal conditions the British market would take 80 million bushels a year, or 320 million bushels of that wheat during that four-year period, which is in excess of 50 per cent of the total amount which they purchased. That would leave the Wheat Board with some 300 million bushels in addition to the quantity which they did market, to go out on to the markets of the world.

Now, it seems to me that one of the fears in the minds of many people in this country was that after the first two years they expected a recession in the price of foodstuff. They expected a recession in the price of most things. I noted that when Mr. Strachey was in Winnipeg, he laid a great deal of stress on the fact that the Government of Britain would honour the price quoted in this agreement for the last two years of the agreement. However, we must not lose sight of the fact that, for the last two years at least, we have been building to a war footing and today, while war has not been declared officially, we are operating on a war economy. Having due regard to those factors, I am reasonably confident in my own mind that the Wheat Board could have been entrusted with that 630 million bushels and would have marketed that wheat, probably not at a price of \$2.35, but at least a price ranging between \$2.00 and \$2.15 a bushel.

Now we come to this question of the 260 million bushels that went on the domestic market with certain Government regulations and restrictions, and the price at which that sold, the weighted average, was \$1.76 a bushel. If the Wheat Board was placed in charge of the marketing of that 260 million bushels, having the domestic market available in which to sell it, and were free to secure for the farmers of Western Canada a price within keeping of general price levels, could they not have sold that wheat to the domestic mills for somewhere in the neighbourhood of a price much higher than what they sold it because of Federal Government regulations and restrictions surrounding the marketing of that wheat? It is interesting to note that a brief or memorandum for discussion with the Government of

Canada, March 24, 1950, states this, in part:

“In other words, it was the original intention of the agreement (referring to the British agreement) that the prices established for the last two years of the contract would be such as would compensate producers in the event of the prices in the first two years of the contract being substantially lower than the world’s wheat price.”

Now this is the important part of this particular section:

“It is obvious, however, that the terms of the original agreement were modified as a result of negotiations between representatives of the Governments of the United Kingdom and of Canada. This modification was set out in a statement from Ottawa and London when it was announced that the price of wheat for the crop season 1949-50, under the agreement, would be \$2.00 per bushel. At that time the Prime Minister, the Rt. Hon. Louis St. Laurent, issued a statement as follows: ‘Representatives of the United Kingdom and Canadian Governments have had discussion on the price to be paid by the United Kingdom for Canadian wheat . . .’”

Mr. Tucker: — May I ask the hon. Minister what he is reading from? Is it a statement put out by somebody?

Hon. Mr. McIntosh: — A memorandum, Mr. Speaker, for discussion with the Rt. Hon. C.D. Howe. The three Western Pools discussed it with him and his colleagues, March 24, 1950:

“‘After taking into account all relative considerations including, but without attempting to reach a final settlement of the United Kingdom obligations under clause 2b of the Agreement, the two Governments have agreed upon a price of \$2.00 per bushel. The two Governments have also agreed’ . . . (and remember, I am now quoting the Prime Minister of Canada) —

Mr. Tucker: — The same statement was made by the Prime Minister of Great Britain.

Hon. Mr. McIntosh: — Thank you. Two great men.

“‘. . . The two Governments have also agreed that their representatives shall meet not later than July 31, 1950, to settle any obligations of the United Kingdom which may then still be outstanding under clause 2b of the Agreement. The extent to which any such obligations will remain will depend largely upon the actual price ruling for the wheat during 1949-1950.’”

Now, Mr. Speaker, I have quoted statements made by the Rt. Hon. C.D. Howe, which I think without a question of doubt prove conclusively

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that as far back as June 5th., last, the Federal Government of Canada was satisfied that the British Government had discharged its obligation under the wheat agreement. I also mentioned, Mr. Speaker, that the 235,000 wheat producers on these three plains were not the people who negotiated the agreement. It was their Government on behalf of them that negotiated the agreement with the Government of Great Britain. The producers here in Western Canada have no alternative but to look toward the Government of Canada for a final and equitable settlement of the wheat delivered during the five-year period of the pool, and particularly the wheat that was marketed during the four years commonly known as the four years of the Canada-U.K. Wheat agreement.

I mentioned the price which the Canada Wheat Board was successful in getting for the producer. I want to say here that I am absolutely confident that the producers of wheat in Western Canada are very well satisfied with the fine marketing job done by the Canada Wheat Board for that portion of the wheat that the Canada Wheat Board was entrusted to market. I am confident that the 235,000 wheat farmers of Western Canada have a just and legitimate claim against the Government of Canada for a settlement much in excess of the token settlement announced, \$65 million, in order that they might feel that they received for the 630 million bushels of wheat that was negotiated as between Governments and the 260 million bushels of wheat that went into domestic consumption surrounded by Federal Government regulations.

I would like to state further, Mr. Speaker, as I stated earlier, that not one five-cent piece has come from the public treasury of Canada to the wheat growers of Canada since 1938. From the outbreak of the war right up to a few months following the war, the farmers of the three Western plains bent every effort towards the production of the tonnage of foodstuffs that would assist her allies in a successful prosecution of this war. I am confident, as I stated before, the farmers of this province and the farmers of the provinces to the east and to the west, have a just and a legitimate claim for a final settlement very much in excess of the figure that has been announced from Ottawa, and I am extremely happy to have the privilege and the pleasure of supporting the Motion so ably spoken to by the mover and the seconder.

Mr. Tucker: — Mr. Speaker, I beg leave to move the adjournment of this debate.

(Debate adjourned)

The Assembly adjourned at 11 o'clock p.m.