

The Address—Mr. Fleming

the Canadian Broadcasting Corporation there should be a standing committee in that field.

We are meeting under conditions very much changed from those faced by the house a year ago—trade losses, unemployment and a record of illegality on the part of the government. Those who are raising cheap cheers and who are doing the desk-thumping in the house, and a good deal of crowing over the results of the election of last June, would do well to ponder the conditions under which that verdict of the people was obtained. They should consider the changed conditions which have followed that verdict, and also the exposure of some of the things the people should have had brought to their attention at that time, but which they were kept from knowing through the deliberate action of the government.

The unemployment situation, already of emergent proportions, is alarming, not simply because of the numbers of unemployed—the 375,000 who have been seeking employment through the national employment service—but because of the very rapid increase in those numbers in the past two months. The figure of unemployed, or of those applying for employment through the national employment service—and we have already heard from the Prime Minister (Mr. St. Laurent) that these are not complete figures of the unemployed—was 261,000 at December 22. On January 12, three weeks later, it had risen by 62,000, and in the succeeding five weeks by another 52,000. The figure on January 12 was 100,000 larger than on the same date in 1949.

The Minister of Finance cannot brush this situation aside any longer by saying that it is purely seasonal unemployment. This problem is much more deep-seated. We will have to have expedients to meet it now—of course we will. But a more deep-seated and far-reaching remedy is required, because the situation has arisen directly out of our loss of markets.

It is a tragic fact that agriculture, the basic industry of this country, is today bearing the brunt of the loss of markets abroad. The whole structure of this country's sale of its agricultural surplus abroad in recent years, particularly to the United Kingdom, is in danger of collapsing. Today we have only three contracts left for the sale of food to Great Britain. Figures from the dominion bureau of statistics show that the value of our field crops alone in Canada in 1949 fell by 16 per cent as compared with 1948, from a total of \$1,696 million in 1948 to \$1,427 million in 1949.

[Mr. Fleming.]

The farmers of this country, the essential food producers, were promised by this government that there would be great and continuing benefits from the control system. Under that control system they sacrificed more than \$500 million as a result of the government's wheat policy alone. Our farmers were not permitted to sell their wheat on the free markets of the world. Today those same farmers are being deprived of the promised fruits of that policy.

The Prime Minister (Mr. St. Laurent) may be able to persuade himself that no great importance should be attached to the withdrawal of ECA funds for purchases by the United Kingdom of our agricultural products, but I suggest to him that the farmers of this country are not shrugging off that matter quite so lightly, especially when they saw on January 19 that ECA funds are no longer to be available to the United Kingdom for the purchase of Canadian bacon. They have seen that fund in the process of being cut off so far as other Canadian products are concerned, and they remember that that fund made possible the purchase by the United Kingdom of many of the food products of this country in recent years. Our farmers are beginning to experience a feeling of the gravest disquiet. The Canadian loan to the United Kingdom which has been providing \$10 million per month is on the point of being exhausted. These are matters of the gravest concern, not merely to the farmers but, because agriculture is still the basic industry of this country, to all Canadians.

I am not going to dwell on themes about which I spoke at the last session. While we are glad to see an extension of our exports to the United States and our trade with that country placed on a more balanced basis than it has been heretofore, nevertheless such trade with the United States will be no substitute for the loss of our markets in the United Kingdom. To a great extent the economy of this country is dependent upon our being able to move our primary products eastward to the seaboard to find a market in the United Kingdom. While needed markets are being lost to the Canadian producer, at the same time the British government, pursuing a policy of state trading which has not been helpful to Canada, has been entering into contracts for the purchase from countries in Europe, such as Russia, Poland, Hungary and Denmark, of the very products that are fast becoming surplus in this country and for which the Canadian food producer would like to find a market in the United Kingdom. While this has been going on, what have we had from the government? We