

*The Address—Mr. St. Laurent*

quality and variety of his experience will also be of value in future debates of this parliament.

To both of them all of us extend not only congratulations but best wishes for the many years during which they may contribute to the administration of the public affairs of this country.

I wish also to thank the Acting Leader of the Opposition for the, well, sometimes qualified compliments addressed to my colleagues and myself. But I do appreciate that his recognition of our devotion to public duty exceeds perhaps his appreciation of our wisdom. Nevertheless that is something which is quite compatible with the full recognition that on both sides of the house we do extend to the honest endeavours of us all to perform for this young and growing country the best services within our respective capacities.

I must say now that I listened very carefully and followed very closely the remarks of the Acting Leader of the Opposition. The picture of the situation of this country that he painted reminded me of similar pictures I have heard painted from year to year by others who have spoken from that side of the house. Whether or not there was a lack of sound fiscal policy—and I shall have to take my understanding of the hon. member's conception of "sound fiscal policy"—fortunately, events turned out fairly satisfactorily.

I think perhaps it is well sometimes to take the objective view of the Canadian scene that is taken by people outside this country. I have here a clipping from the *London Times* of September 11, 1954, in which, under the title "Young and Lusty", it says:

The pace of Canadian development during the past decade has been tremendous.

And the following paragraph begins with the words:

Certainly Canada will be a fortunate country if the past decade does not stand out to some extent in retrospect as a notable period of growth.

And then, after discussing how that may have come about the writer goes on to say:

No government came anywhere near perfection in running its wartime controls, in curbing inflation, or in managing the return to freedom. But the Canadian government was far more successful than most. Inflation was always less a domestic product than an import from the United States; hence the upward revaluation of the Canadian dollar in 1946 and the adoption of a free exchange rate—with an upward revaluation in the market—in 1950. The return to freedom was steady, with relatively little temporary backsliding.

The firm and even hand was no doubt itself a symptom of a strong government—strong alike in its political position and its personnel. The government could always act and speak with assurance, and there was always an able and experienced departmental minister to ensure that in any specific matter it spoke and acted wisely.

[Mr. St. Laurent.]

I do not want to take too much comfort from that because it is I think in the proper functioning of democratic institutions more important to have the opinion and view of the people of one's own country than those of people of other countries. But I have yet to find that the views expressed by the hon. gentleman who has just spoken represent those of the majority of the people of our own country.

I listened quite carefully to his speech, and though I found frequent recurrence of the words "strong fiscal policy" yet the manner in which it was described and the inconvenience it was supposed to be able to overcome reminded one very much of the pleas that that party used to make for protection, although the word "protection" was carefully avoided.

Here we all feel that expanding trade is desirable. We feel that it is almost necessary to the prosperity of the Canadian people, but we do not feel that it would be by high tariffs that expanding trade could be achieved in this country. It is perhaps unfortunate that the production costs of some of our commodities happen to be greater than those of other commodities from abroad that could be imported into this country. But it is nevertheless quite true that foreign trade must flow in both directions, and that you cannot have high exports unless you have at the same time high imports or extend credit or aid in the form of Canadian currency to enable our domestic producers to receive payment for their exports.

The hon. gentleman has said that Canada has lost the United Kingdom market for the second time in his own period of political experience. There has been no loss of the United Kingdom market. There is no less desire in the United Kingdom to take goods from Canada than there was at any time, but it has so happened that, although the situation of the United Kingdom is improving and has been improving constantly and steadily, there is still a shortage of dollars that limits the quantities of Canadian goods they can import and for which they could provide the currency required.

The hon. gentleman says that our imports from the United Kingdom are insufficient and that the balance of our trade with the United Kingdom is still in our favour. Unless I do not understand what the hon. gentleman means, I take it that we are exporting to them commodities of a greater value than we are importing from them. Well, there are precisely some of the imports that are coming from them that are being sold on this market at prices that, for instance, our own textile producers find it impossible for them to meet.

The hon. gentleman says that so far there have been parties in Canada, other than the