

The minister emphasized in his budget speech that our export position must be built up, no matter what happens at home. As he put it, our income from exports is the most important factor determining our prosperity and employment in peace time. I like to project myself back to the farm where I was raised and think of a farmer becoming prosperous following the advice of the Minister of Finance, by selling all his hay and oats to his neighbour and leaving his own live stock tied up in the stable to starve. If a farmer did that he would have his head examined. Yet, when our responsible ministers say that, and mean it—because we all give the minister credit for his sincerity—it is called good government business. Over a year has passed since V-E day, and our political and business leaders are actually denying Canadians the abundance which they were promised after the war; sending all available products, whether or not they are surplus to home needs, into a post-war chase for foreign markets, and financing those markets for the most part with Canadian credits, while we at home patiently wait and do without. I am quite prepared to grant that exports form part of the requirements for Canadian prosperity and that right now foodstuffs should move quickly to relieve world suffering. But, in general, exports alone will make no nation prosperous; they must be regulated in the light of that nation's home needs and come from the nation's surplus production. The minister's job is to create a surplus in every possible Canadian field of production, and to the extent that his government's plan fails to speed up the production of surpluses, to that extent the budget fails to create the prosperity which the minister wishes Canada to have.

My hon. friends to my right have said in effect that the way to stimulate production is to reduce the excess profits tax and to lift the price ceiling. Such stimulus was not needed in the emergency of war, nor is it needed in the present emergency of peace. The policy of removing profits taxes and lifting consumer prices means, as hon. members all know, that the number of units which consumers with fixed incomes can buy decreases in direct ratio to the numbers of each unit produced for sale. Such a government policy can only lower production and not increase it. With fixed wages, as is now preached here, demand for goods must fall as prices rise. Orthodox economists know this only too well. Let prices rise now and unemployment and depression will follow the present consumer prosperity in the same regular cycles which they always have, ever since capitalism began.

[Mr. Probe.]

No; we will increase our supply of goods, not by relaxing price controls as they are doing across the border and as the Minister of Finance pledged himself to do here, but we must profit by the war-time planning which we did and adjust that planning to peace-time uses. We shall need not to scrap but to adjust those price ceilings and price floors too, so that the net earnings or the take-home pay of the farmer, the manufacturer, the doctor, the miner, the carpenter, the professor, the pensioner, will bear some relation to the take-home pay of those in other occupations. But will we do this? To do this we must reinvigorate the planning boards which we partially set up during the war. Our money system must be used to finance all production, whether of the factory, the field or the mine. We must think in terms of stockpiling surpluses for a change, instead of destroying them, until they are sold. We must think of sponsoring a national home-building plan.

My hon. friend to the left this afternoon made some reference to Belgium. I was in that country at the time that its government at one swoop took sixty per cent of the currency out of circulation. The general plan was to give each person who had that amount 1,500 francs, or roughly \$40, and beyond that, sixty per cent of that individual's currency was taxed out of existence by the state, due, I assume, to the heavy inflation of paper which had taken place during the period of the German occupation. Yet that country has been able to finance a nation-wide home building plan; and my hon. friend was right when he said that that was being done with tax-free money. There, any man who wishes to own a home has the entire cost of that home financed by the state and the payments are amortized over a period of thirty years, without interest. Further, should by any chance the home owner and his family become unemployed, the payments on that home are assumed by the state during the period of unemployment. There is one condition to that, namely, that that man keep a garden. Of course we have a sort of housing plan but, as I say, the terms of the housing act so discouraged the small would-be home owner that we have thirty thousand and some odd loans under the housing act at a time when we need over twenty times that number of homes.

It is time that we controlled exports and imports by properly constituted boards in accord, not with export demand solely, but with Canadian needs and with an eye to foreign needs, shall we say, but let the foreigner have of our goods when we have developed a surplus. Let us direct and provide that our public investment of surplus money shall meet proper