

Supply—Trade and Commerce

the increased cost of production that has taken place over the last number of years. I believe that every effort should be made to reach an agreement satisfactory to all concerned. I know the difficulties because of the monetary situation across the world, and I recognize the difficulties that have arisen in that regard.

In the inter-war period, that is between 1920 and 1939, the United Kingdom closely rivalled the United States as the market for Canadian products, but in dollar exchange we sold as much as \$2 worth of goods to Britain and bought from her as little as \$1 worth of goods in return during a number of those years. In those days that was a condition that could be overcome because of the British investments overseas, and her ability to obtain the necessary dollar exchange. All that was changed by the war. With the loss of the investments, which she had to liquidate during the war in order to buy goods to meet her war effort abroad, she changed from the world's great creditor nation to one of the world's great debtor nations. This, of course, accounts largely for the changes that have occurred.

Between 1920 and 1939, we exported an average of 35·8 per cent of our total products to the United Kingdom and 38 per cent to the United States. Our exports to the two countries were, therefore, very similar. In the first half of 1951—I should like the minister to correct me if I am wrong—on the other hand, only 14·4 per cent of our total exports went to the United Kingdom and 63·3 per cent went to the United States. If those figures are correct, and I have no research organization to help me in arriving at such figures, they do indicate what I said and what the hon. member for Brant-Wentworth said, that we are putting most of our eggs in one basket and that is a very dangerous thing to do. In regard to our exports to the United States, we have to remember that most of those exports are raw materials for industrial purposes in that country. Last year, of course, there was a considerable quantity of meat as well, but most of the exports were raw materials for industrial purposes, whereas the exports that we have been making in the past to Great Britain consisted of some raw materials but largely of foodstuffs and products from our farms. I believe that is the point that we should be considering at this time, and realizing that there is developing a rather dangerous change both in the channels of trade and types of commodities as between these countries and Canada.

I might just add that it is interesting to note that only five countries, other than

[Mr. Coldwell.]

Britain and the United States, took 1 per cent or more of our exports. This indicates again the restricted area in which we market our Canadian goods. This is not only true of exports, but it is equally true of imports.

In the period 1920 to 1939, imports from the United States were 64·7 per cent of our total imports, and imports from the United Kingdom were 17·5 per cent of our total imports. This emphasizes the statement I made a few minutes ago that we purchase much more from the United States than from the United Kingdom, and we sold relatively more to the United Kingdom than to the United States. In the first half of 1951, 70 per cent of our imports came from the United States, while, as I have it, only 10·7 per cent of our imports came from Great Britain. We imported, as I have said, 1 per cent or more of our total imports from only five countries in addition to the United States and Britain. It is true, then, that our trade always has been highly concentrated in a few countries, indeed largely concentrated in two countries. The United Kingdom and the United States, between the two world wars, together accounted for an average of about 77 per cent of the total trade of Canada. In the post-war period, the United States and the United Kingdom have accounted roughly for the same percentage of our trade, varying from 72·6 per cent in 1946 to 79·6 per cent in the first half of 1951. I want to say to the minister that there is something alarming in the change that has taken place in our trade and commodities as between these two countries, as the figures I cited a moment ago—if they are correct, as I believe they are—will bear out.

Mr. Howe: May I call the hon. member's attention to one factor? He should keep in mind that Canadian production is vastly greater now than in the twenties. I doubt if the volume—

Mr. Coldwell: In the goods I have dealt with?

Mr. Howe:—perhaps not the goods, but the over-all volume of goods shipped to Britain—has dropped. The total volume of exports is very much greater, so the percentages are down. I think that is a factor he should look at. Of course, we have been forced to balance our exports and imports with the United States, because we could not continue in any other way. A few years ago we had a drive to balance our imports and exports to the United States to keep the country from going bankrupt in United States dollars.

Mr. Coldwell: What the minister says, I know, is a valid criticism, but I believe you have to compare the two percentages, the percentage of trade with one country and the