

enterprise if Canada is to reach her deserved destiny as the most progressive and prosperous nation in the post-war era.

We trust the dawn of peace may soon return. Swift changes inevitably must follow. In all conscience our first obligation must be to the dependents of those who have made the supreme sacrifice and those who may be disabled. Second only to the medical care and vocational training of those unfit to assume their intended places comes the provision of general opportunities for all members of His Majesty's forces. No government or enterprise which forgets these men who have a "G.S." on their tunic sleeves will be worthy of a place in our national life. We shall have thousands and thousands more who have learned to work and produce as never before. That productive ability is a new asset. Indeed, Canada's hope for the future is work. The products of the toil of our people must be for the service of each other rather than for the purpose of destruction.

The farm, the forest, the mine and our fisheries must be coordinated in their true greatness with the vast industrial capacity now available. Home and other markets must be established on a larger scale if we are to maintain employment and a reasonable standard of living in post-war years. This objective can be achieved only to the extent that we equalize conditions as between our primary and secondary producers.

In this regard I want to mention the place and importance of agriculture. The farmers of Canada, with their 750,000 families, constitute the greatest potential market for manufactured goods of any class of our people. Despite the all too prevalent disparity of prices which they have endured for many years, prior to the war they purchased about fifty per cent of all the manufactured goods sold in this country; they provided one-quarter of all the railway freight, and nearly all the truck transportation. During several pre-war years about forty per cent of Canada's exports were agricultural products. It is generally conceded that the rural population provides the largest domestic market for the products of Canadian industry. However, it is equally true that the purchasing power of the farmer can be no more than his earnings. The total of wages to be divided among our working men and women is influenced greatly by the amount made available by our basic or primary producers. It has been recognized long since that the degree of unemployment is in ratio to the degree of disparity in earnings as between primary and secondary producers. Our maximum production, employ-

ment and consequent prosperity can be maintained only by the equalization of conditions among the various economic groups of our country.

No class of people actually needs more manufactured goods than the farmer. Only a very few of our farm homes are fitted with modern conveniences. At least 700,000 farmers need electrical fixtures, bathrooms and ordinary modern conveniences in their homes. A similar number have farm buildings that need extensive repairs. An equal number need new and more modern implements of production. The extent to which this great potential purchasing power can be brought to the support of industrial employment in post-war years is limited only by the amount our farmers have left to spend after going through the tax mill. For many years prior to the outbreak of the war, while our farmers constituted more than thirty-five per cent of our people, their earnings were only about twelve per cent of our national income. During this life-and-death struggle in which we are engaged our chief occupation must be the production of the necessary weapons to destroy our enemies. The full force of this unbalanced economy, however, will be felt only when our own consumption is again the chief market for our industrial production. A sound post-war Canadian prosperity cannot be achieved by perpetuating agriculture as the loss leader of our economy. For many years the farmer has been the forgotten man. In peace-time depression he was the victim of deflationary tendencies abroad. In war-time prosperity he is the martyr of inflationary fears at home. It is folly to compare the present price of farm products with the price received ten years ago. The degree of error can be calculated only in relation to the prices of other products or the price required to purchase agriculture's true share of the production of a fuller post-war employment.

It is no less alarming to observe the government's failure to appreciate the significance of the other great basic enterprises of mining and forestry. Next to agriculture our forest industry gives the greatest employment and contributes the most to our national prosperity. A wide range of possibilities for expansion has been opened up in this and other countries by recent discoveries and new methods of processing wood products. Yet in research, so badly needed, and all other forestry services the government spends less than is expended on our national parks. No policy has been disclosed that would give encouragement or lend confidence to the expansion of this great industry. The