

*Supply—Trade and Commerce*

says employment is up and wages are up. The pockets of unemployment we had are fading out, it is true, and I hope that steps will be taken to see to it that, during the coming autumn and winter, pockets of unemployment are avoided everywhere in this country.

The minister says capital expenditure is up. Capital expenditure has increased tremendously in this country, in the United States and in other countries. I may say that I have seen writings in which there was expressed by economists who follow these matters closely—not only in the United States but in the United Kingdom and recently in the writing of a great French economist—some concern lest the world may be over-capitalizing and increasing capital equipment at too great a rate at the present time; and that with the entry into the productive field once again of Japan and Germany, unless these countries can find markets where they used to find them—Japan, for example in China, and Germany to the east as well as other parts of Europe where she finds it difficult to sell at the present time—we are going to find that there may be severe competition which may change the picture extensively.

When the Minister of Trade and Commerce was speaking the thought crossed my mind that it is easy to criticize opposition members from the ministerial benches because, after all, the ministers have research facilities which the rest of us lack. I only wish that we had at our disposal the research facilities for the obtaining of information that is available immediately to the ministers in discussions of this description.

I quite agree that trade is an all-important consideration in the Canadian economy. We as a country are a producer of goods in tremendous quantity. In our own country we could use more of some of these goods if our people could only get at them. But even if we were able to do that, the huge surpluses we can produce will have to be exported. I know the minister's department is an ably staffed one.

If I may digress for a moment, may I say that I was exceedingly sorry to note the other day the departure from that department of Mr. Max Mackenzie. I think he has been an outstanding public servant. I had the pleasure, as did the hon. member for Peel, of working closely with him at the San Francisco conference seven years ago and also in New York in 1946; and I came to have a high regard for his ability.

There is, however, this to be said; and in this matter I support the hon. member for Brant-Wentworth. A serious threat to our

economy has been developing in these post-war years. We have become more and more dependent on a single market for our trade; and that single market is the United States. The minister is perfectly right when he points out that that tendency has been largely due to the fact that other countries with whom we formerly traded in large quantities have found it difficult to obtain in our country the necessary purchasing power in order to get the goods they require. But that does not alter the fact—and I think we should face it—that we are running into grave danger of placing too many of our eggs in the one basket, instead of perhaps trying more than we have been, as far as I know—and as I say, I speak without access to the necessary research facilities—to find more varied outlets for our increasing production of grain, dairy products, raw materials and manufactured goods.

The United States has never been a stable market for Canadian goods, particularly for the kind of goods in which, on a long-term basis, Canada has excelled. We have had indications of this fact in recent times. It would seem that our alternative, wherever it is possible to do so, is to seek export markets overseas and to do everything we can to reach agreements so that we may reverse the trend that has made us so dependent on the unpredictable United States market.

This afternoon I was glad indeed to hear the further announcement made by the Minister of Agriculture.

The amount of meat involved is not very large in relation to the amount that we could produce and may have surplus for export. I believe we have every reason to be glad that New Zealand, the United Kingdom and Canada were able to reach such an agreement regarding the marketing of the surplus meat caused by the United States embargo against our Canadian supplies. May I say that this indicates very clearly indeed what can be done when friendly governments are prepared to co-operate with one another to meet a problem that one of them faces. Private trading, may I say, could not have reached this agreement. Only because of the fact that in the last number of years we have been trading on the basis of nations were we able to reach an agreement of this description. I have no doubt that that is the pattern, whether some like it or not, of future relationships among many of the great nations. In passing may I say that I hope that an international wheat agreement will be arrived at within the next year, and that the price will be satisfactory to the Canadian producer. I hope the price will be in line with the price that he should expect with