and above that he gets a living allowance based on the cost of living in the country in which he is located compared with Canada.

Item agreed to.

444. Information division, including publicity and advertising in Canada and abroad, $177,854.

Mr. Wright: Are motion pictures used in your advertising campaign abroad?

Mr. Howe: Yes. Moving pictures are used quite extensively. Most of them are obtained from the film board but in addition the department occasionally makes a film at its own expense for some particular purpose such as selling a particular product.

Mr. Macdonnell (Greenwood): To be perfectly candid, I am surprised at the smallness of this item. Is this the whole? Are there any other figures for information, publicity or advertising of any kind? Are there no salaries? Is this the whole story?

Mr. Howe: Yes, except for the trade fair. We have an item later to cover the trade fair. As a matter of fact we use the trade fair advertising not only for the trade fair but for institutional advertising for Canadian products. The department does not advertise in Canada. All the advertising is in other countries, and this is the cost of it.

Item agreed to.

445. Economics division, including conducting of investigations and reporting upon current economic conditions and outlook (formerly the economic research and forecasting divisions), $157,923.

Mr. Blackmore: Would it be in order to ask the minister on this or some other item to give the details of trade that he was anxious to give us this afternoon in reply to the hon. member for Brant-Wentworth. He was going to give us a breakdown of the exports to Great Britain and other British commonwealth countries. I would really like to have that on record in order to know what it is. Could that be given under this item, or some other item that the minister might name?

Mr. Howe: You would like to know what commodities we export to Britain?

Mr. Blackmore: I would really like to have the minister give a thorough reply to the speech of the hon. member for Brant-Wentworth, not that I want the hon. member for Brant-Wentworth to be answered but because I want the information. It seems to me that he made a very valuable contribution, and if the minister has anything that would relieve our minds on any of these matters we certainly want to hear him.

[Mr. Howe.]

Mr. Howe: I gave the over-all figures. The hon. member for Brant-Wentworth made his case on the point that in 1938 we supplied 40 per cent of Great Britain's imports and in the year 1951 we supplied a smaller percentage. Of course that is quite misleading because Great Britain's imports were very much smaller both in volume and in value in 1938 than they were in 1951. Total imports of Great Britain from all sources were about $800 million in 1938. The total value of Canadian exports for the year 1952, if our forecast is correct, will not be far short of $800 million. You may say that there has been inflation to the extent of 100 per cent over 1938. As a matter of fact it is not that high, but in that case even in constant dollars our exports to Great Britain would be about 50 per cent of the imports they were making in 1938 compared with the 40 per cent we supplied in that year. The point I am making is that we are supplying more goods to Great Britain today in volume than we supplied in 1938.

Mr. Quelch: I think the thing that concerns a good many of us is the fact that in recent months the government has actually advised farmers against expanding their production. The minister has pointed out that the government has been able to market their products up to date but in spite of that fact they have warned farmers that if they expand their production there may not be a market for it. Could the government not make some arrangement with the sterling area by which that increased production could be made available to them? I have in mind, for instance, what is happening between Canada and the United States today. We have a serious unbalance of trade with the United States, somewhere in the neighbourhood of $524 million, but on account of large-scale American investment in this country we have had the dollars with which to make up that deficit. If we were willing to accept sterling from Great Britain for our surplus production and then invest that sterling in Great Britain in the same way that the United States is investing in Canada we would in that way provide a market for any increase in production that the farmers are able to accomplish.

Mr. Howe: I am not aware that anyone has asked the farmers to curtail production. I certainly have not. There is nothing I should like better than to have more wheat, oats, barley and rye. I will not say more flax because flax is a domestic crop. I wish my hon. friend would tell me who suggested that quantities should be reduced.

Mr. Quelch: I will give the minister my reasons. I have here a speech made by the