

The Address—Mr. Rowe

remember that they proposed a countervailing fiscal policy. Certainly the farmers and even the smartest executives would not know what was going to take place under it unless they went to Washington. If a certain duty went up in Washington it went up here. If it went down in Washington it went down in Ottawa—a countervailing policy that would countervail and just do that. So they transferred their fiscal policy making to Washington at that time.

Today, Mr. Speaker, one need not wonder. Those of the younger group to whom I have referred know that the government has not needed a sound fiscal policy in their lifetime. The government has been riding the gravy train of world prosperity brought on by the necessities of the wartime boom. It is not surprising that they have not needed to practise sound fiscal policy. They had none in any event. You can understand why we have no definite fiscal policy at Ottawa today and why we are shuttling back and forth accepting a fiscal policy drafted in Geneva and at the same time risking it being amended in Washington.

Today we find that two-thirds of all our trade is with the United States of America and only one-third with the rest of the world. Stop and think of it, Mr. Speaker. No other important trading nation in the world has ever allowed itself to get into that kind of position. Never has any important trading nation been so dependent on another nation as we are on the United States of America. Why, Mr. Speaker, it should even alarm this government, smug and complacent as it is. How can we dare risk that situation? It is just the reverse of what it was 20 years ago. Then we sold about one-third to the United States of America and two-thirds to the rest of the world.

I remember that there was another change in policy. The hon. member for Vancouver-Quadra (Mr. Green) will remember this too. We had the situation brought about by the Fordney-McCumber tariff. We were not sure what we should do but we knew we must not provoke the United States of America. Surely it is no provocation to tell them that we are minding our own business. Surely it is no provocation to tell them that unless our dairy products are admitted to their country we will not bring in substitutes for the dairy industry from there.

Surely we could risk having a bold, common-sense and logical approach to the situation when we are now buying from the United States every day the sun rises almost \$2 million more than we are selling to them. We had an unfavourable trade balance last year of at least \$500 million and it will be

the same this year. Yet as far as the United Kingdom market is concerned, even though the government has lost that market for many of our important products, we are still selling the United Kingdom market \$200 million more than we are buying from them. Surely it is worth considering.

We of the official opposition believe that we should have some reduction in taxation. We believe we should have more taxpayers and a lower rate of taxation. We believe that is possible. We have every hope for the prosperity of this dominion in the long-term pull. No one can think of the greatness of this young country without visualizing employment not only for those who are idle today but for hundreds, thousands and millions more who should come to this country.

Why, the late Sir Wilfrid Laurier, your own great esteemed leader, anticipated that by 1930 we would have far more people than we have today, and he expected that by 1950 we would have 50 million. The late Sir John A. Macdonald anticipated the same thing but neither of them expected that there would be a government that would so disguise the country's real problems. They did not expect that there would be a speech from the throne which would hide the real problems of the country. I know that there are difficult problems. The improvement in unemployment insurance benefits will help a little bit. The causeway down east will also help a little bit. A few fellows will have to put up a few monuments and grade a few historical sites in Canada, and I hope you pay them well.

Even the deepening of the St. Lawrence waterway will provide some employment, but with the vast machines of today it is not a big factor. You can dip into the treasury and have deficits where you used to have surpluses. You used to have cyclical budgeting but they will now be circle budgets because you are going to have deficits instead of surpluses. You can dig into the treasury and spend some money for temporary relief. It is just like giving a baby cough medicine and leaving the window up. Why, Mr. Speaker, you have not even touched the edge of the problem. You are only giving panaceas. You are only giving a little medicine for the disease your lack of policy has created. These are some of the problems that the Leader of the Opposition (Mr. Drew), whose absence I regret, and in fact I expect right at this moment the whole house regrets—I know my own party does—

Some hon. Members: Hear, hear.

Mr. Rowe: My hon. friends laugh, but that is true. I say that because we happen to be so fortunate in having as our parliamentary leader one of the most outstanding and