

it will be bad enough, bad for shareholders, but far harder on the miners themselves.

It should not be forgotten by any hon. member that in 1943 there were 64,324 employees in the metal mines industries throughout Canada; that they received in wages and salaries \$128,483,302, or an average amount of \$1,997, or just \$3 less than \$2,000. If the gold industry is to be maintained in a strong and progressive position, further immediate steps will have to be taken by the government. Some of these steps are indicated in the recommendations of the senate committee on steps to be taken for the mining industry as a whole, comprising the following basic measures:

(1) Return of fifty per cent depletion allowance for both mines and shareholders;

(2) Wipe out the excess profits tax on all mining.

With the full gravity of the situation facing them, I urge the government in the first place to adopt these senate recommendations, which they have so far ignored; second, to consider seriously whether further steps can be taken to maintain this industry, which has been of inestimable importance to the economy of this country, particularly since 1929, by reason of the fact that practically the whole mining output has been exported abroad.

I wish to say a word now about trade—and I also wish to say that I am nearly through.

Two things have always been essential in the past to the prosperity of Canada:

1. That there should be economic relations on a large scale between the United States and the United Kingdom; and

2. That we should be able to export large amounts of natural products to the United Kingdom and western Europe.

To-day this remains as true as ever, but there remains the fact that there are tremendous influences at play which tend to create an impossible situation in western Europe. We know that a great part of western Europe has been overrun by Russia and is really inaccessible to us. The rest of Germany is in a very unsound position. While in the balance of western Europe there has been some encouraging progress, that is something which could easily be put back.

What about the United Kingdom? It stands with one foot in Europe and one foot in the western hemisphere. It is trying, as it always has done after successful wars, to treat the enemy decently, wisely and constructively, both from motives of humanity and from motives of enlightened self-interest. It is the

[Mr. Macdonnell.]

bastion for the western hemisphere in time of peace, just as it was in time of war. It is a bastion now against the flood of economic communism, as it was in war against the flood of nazism. If the flood of communism should cover the rest of Europe, it is hard to see how Great Britain could survive economically.

What would her failure mean to this country and to the United States? Assuming, as one could hardly fail to assume, that if communism should sweep west it would also sweep east, we would then find an America isolated. Does any one suggest that South America alone could afford a sufficient export area to make possible North American prosperity? How earnestly then must we hope for the success of Great Britain, and how ready we should be to play our part?

The first objective obviously was to enable Britain to resume as rapidly as possible normal economic relations, and in particular to aim for a convertible sterling. The Bretton Woods agreement, which was approved in this house last December, was a step to that end, and a second step was the loan approved in this house some weeks ago. A greater step, which we await anxiously day by day to hear the accomplishment of, is the American loan. I cannot believe that shortsighted obscurantism can possibly win the victory in that great country over the forces of reason and enlightenment. How anyone can doubt that the United States, cut off from Europe, would suffer grievous economic injuries, I cannot understand. A new factor in the situation, from Canada's point of view, is that during the war we became a creditor instead of a debtor nation. This means that the import-export situation is basically altered and, in the long run, we must find a way to take more imports.

I should like to digress here for a moment just to put on record one or two facts often forgotten in the history of trade policy. It can, I think, fairly be said that the Liberal party, if the record is studied, has followed remarkably closely Conservative tariff policy. The Laurier government in 1896 adopted the national policy of 1878. The King government in the nineteen-twenties accepted with little variation the tariffs of Borden and Meighen. Since then the same has been true. The much maligned policy of Bennett in the difficult nineteen-thirties has quietly been adopted with no significant changes by the present government in the nineteen-forties. We hear little now of those Liberals who preached unilateral lowering of tariffs. Hon. gentlemen opposite may be surprised at this, but if they will look at the facts I believe they will find I am right.