

*Supply—Trade and Commerce*

department because no one could appreciate its tremendous economic impact. It was not until it settled in the new Department of Northern Affairs and National Resources in the early 1950's that fresh appreciation of its economic significance was gained by the government. I think perhaps it was due to the fact that the whole concept of the establishment of the department of resources was to think in terms of the economic aspects of our resources and to begin planning in a co-ordinated and organized manner. The new awareness was also associated with the revolution of rising expectations which occurred following world war II and the lure of Canada's wilderness in an age of growing leisure time.

I was interested to hear the comments of the hon. member for Parry Sound-Muskoka, who drew the attention of the committee to the rather encouraging change in the statistical position of Canada's tourist industry in recent years, when for the first time in many long years we came pretty close to having a balanced position on the international tourist account. He is aware, of course, as I am sure are the members of the committee, that this happy situation resulted from a vigorous stepped-up promotional program on the part of the Canadian government travel bureau. I think Canada is very fortunate in the men who are serving her in this bureau. In the few years I was associated with them as the responsible minister for northern affairs I began fully to appreciate their dedication to this important economic activity.

Now, Mr. Chairman, I cannot give any explanation of the reversal in our international tourist account situation referred to by my colleague from Parry Sound-Muskoka. It might be that the United States market, upon which Canada had substantially depended until 1962, has reached the saturation point. Until 1962 the government of Canada exerted all its efforts in tourist promotion in the direction of the United States market, and there was a constant program of expansion of promotional activities. Perhaps the minister, when he replies, can give the committee some idea from his up to date contact with these statistics why it is that the position has reversed itself this year following the more favourable statistical position noted last year and for the past several years.

Perhaps he could also indicate just how far the program of expanding our tourist

promotion activities in the United States market has been developed. I know there were plans afoot and some already implemented to extend and expand the bureaux in the United States. The opening which took place in 1961 in California, which has now become the most populous state of the union, was to be the forerunner of other similar developments in the United States market. I have not seen any official announcement with regard to the opening of an office in Minneapolis to cover the important midwestern United States market, but I know this is in contemplation. I am sure, as has been the case in the tapping of the California market, that it will make a large contribution toward redressing the unfortunate trend referred to by my good friend from Parry Sound-Muskoka.

I have been reading any statements on the subject of tourism that have become available, particularly from the minister's office, and I have been pleased to see that he is personally dedicated to the continuation of this development. I am also pleased that in a recent series of speeches in which he has referred to Canada's booming economy he has given top attention to the important contribution made by Canada's expanding tourist industry. He has also given credit where credit is due, to the "Diefendollar" which was brought into effect in 1962. I think this is one of the main reasons for the sudden, encouraging expansion referred to by my friend from Parry Sound-Muskoka. This had an amazing psychological impact on United States tourists who for several years had laboured under the disadvantage, more psychological than economic, of the artificially inflated Canadian dollar on the international financial market.

I am sure that the decision of the government party to continue the "Diefendollar", notwithstanding their rather strident and almost hysterical criticism while in opposition, indicates that they have put aside political considerations in the interests of economic and fiscal reality. I am also sure that if this is accompanied by a continuation and expansion of the vigorous promotional program begun a few years ago in the United States market we will once again see a surge forward and a continuation of the trend toward a more balanced relationship on international account.

There is one further question I should like to raise. In 1962 a five year plan was launched by an announcement at the annual conference of provincial and federal tourist organizations. The plan was geared to coincide with the celebration of Canada's centennial