

ing that my hon. friend had in mind this credit to Italy for the purchase of wheat. I was speaking generally of the policy of granting credits. I am not very well acquainted with the facts concerning the sale of meat to Italy.

Mr. CAHILL: Who were morally obligated?

Mr. A. K. MACLEAN: The British Government acting on behalf of the Allied governments. The producers in Canada were urged to get supplies together and have them ready for export, and the goods would have been required had the war continued. I understand that this meat that was sold to Italy was of such a quality that no purchaser could be found in Canada for it. It was known as "thin" beef and the owners offered it to the Canadian public at, I believe, very fair rates. I remember conversing one day with an hon. gentleman on the other side of the House who was engaged in this business in Quebec or Montreal, and he informed me that in that particular city—I think it was Quebec—you could not induce any one to purchase this beef because it was frozen or chilled. I shall endeavour to get the information my hon. friend requires about this sale of beef to Italy. I must repeat that I am not well acquainted with the facts.

Mr. CAHILL: Are these bonds in the case of Italy taken at the same rate as in the case of Rumania—5 per cent?

Mr. A. K. MACLEAN: At 5½ per cent.

Mr. CAHILL: Does not the Government attempt to do business with these countries on something more approaching a business basis? We were told the other day that Rumanian debentures were only worth 72. We are selling goods to Rumania and taking only 72 cents on the dollar, whereas we have to pay 100 cents on the dollar. The Government is making loans to other countries and increasing the cost of living to the people here. The cost of living in Canada is a very serious problem. The Textile Company and other concerns make exorbitant profits while the people are groaning under the burden of the high cost of living. The Government should try to reduce the cost of living rather than enhance it and make it harder for the people to live. I cannot understand why we should lend our money to the manufacturers of this country to sell goods to foreign countries whose credit is not good and take their securities at par when they are not worth par. Why should we look

[Mr. A. K. Maclean.]

for the worst customers in the world and take their note at prices offered by the best customer? You cannot continue this artificial trade. The time will come when there will have to be an accounting. If these countries are not able to pay the people of Canada will have to pay, and are paying now. They are paying exorbitant prices for the products they buy here and the Government are only enabling the profiteers to get more money out of the Canadian people. I cannot see, for the life of me, how the Government can justify loans to foreign countries and take money worth only 70 to 80 cents on the dollar. The Government is enabling the profiteers to exploit the people of Canada, as was the case during the war.

Mr. STEVENS: I do not desire to delay the Committee, but it would be a mistake to allow to pass unchallenged the remarks of the hon. gentleman (Mr. Cahill) and others. The hon. member's opinion that the trade policy of the Government at this time is simply pandering to the profiteer is absolutely unfounded. He evidently overlooks the fact that the market in Europe today is bare of goods of all classes, including foodstuffs, which must be supplied and will be supplied. Where will the supplies come from? Chiefly from the American continent, that is, from Canada and the United States. We can, if we choose, take advantage of this extraordinary position, by arranging Government credit—where private credit has been eliminated by the war—through no fault of the manufacturer or trader—in Rumania, Belgium and France, where the factories have been blown up and storehouses have been under German control for years. These business concerns have no organization or credit, and the Rumanian, Belgian, or French Government, as the case may be, establishes national credit which this Government takes advantage of, and to the result of which I invite the attention of the hon. gentleman, because it is a matter of vital importance to Canada. Taking advantage of this dearth of goods in Europe, and being in the fortunate position of being able to supply those goods by the medium of Government credits replacing the shattered private credits, we are putting Canadian goods on the European market where they never were before. In other words, we are building up foreign trade. I have heard hon. gentlemen on the floor of this House chide the Government for not sending out more trade commissioners, and time and again attention has been drawn to Great