

little is left. To borrow a phrase of the Minister of Finance (Mr. Abbott), the government just "lets things rip", and then tells us: "Look what we do for you". My constituents, who range from the highest to the lowest in the income brackets, are sick and tired of this monkey business and would rather spend their own money according to how they see their own urgent needs.

The real solution of our problem of rising prices is more production. The government has encouraged spending on new factories and new machinery. That is all to the good, because it ensures greater employment and lower costs. A note of caution, however, is in order; for, like many good things, it may be overdone or done too quickly, leaving a vacuum when our reconstruction and capital equipment industry will not be occupied full time. In the city of Toronto last year, of the total construction that went on there, 85 per cent was for industrial and commercial buildings and only 15 per cent for home accommodation. The five-day week has not helped in aiding production but has, on the contrary, increased prices.

The government's easy-money policy, a hangover from artificially cheap borrowing to finance a large part of our war costs, has given an undue stimulus to expansion and rising costs. At the same time, it has worked a great hardship on those retired people who must live on their savings, mostly invested in government bonds which formerly yielded 4 and 5 per cent and now only 2½ per cent with which they have to meet the rising cost of living and higher taxes.

We have heard that the export of much of our produce to the United Kingdom and Europe on credit is the cause of our higher prices. That is as much fiction as fact, for most of our exports abroad consist of surplus wheat, bacon, metals and lumber. If these natural markets for our natural products were not kept open, then, while it is true the surplus would cause a glut of the domestic market and the price would fall, it would be disastrous to our producers and demoralize the whole economy. Our only alternative would be to ship the surplus products to the United States and other world markets which would temporarily take our products at world prices.

The result of this would be that domestic prices would rise to the world level and the cost of living index would rise still further, so that the result of shipping abroad on credit at arranged prices is to keep down the price level in Canada. The rise in the cost of living index from 143.6 in November to 148.3 in

January, nearly five points in two months, is probably the fastest rise on record and is directly attributable to the government's policy of shutting out cheap imports from the United States.

The food index alone went up nearly nine points during the November to January period. Embargoes and quotas, entirely the result of the government's mismanagement of our dollar exchange position, not only disrupted much of our business and caused unemployment, but resulted directly in an increased cost of living, an increase probably much greater than would have resulted had we reduced our dollar to ninety cents American.

The sad part of the government's present policy is that it does not effect any permanent cure, and our exchange position is only righted so long as embargoes are maintained. It is like a patient who must take insulin to prolong his life but who is never permanently cured. Devaluation, on the other hand, is a natural, permanent and less painful self-righting process. To these government restrictions on trade may be added the imposition of excessive taxes on household articles, which have greatly added to the cost of setting up homes by young veterans and other young married couples.

Here I should like to offer to the government a suggestion which I hope will be constructive, on how to restore the normal and healthful diet of the Canadian people—fresh, green and leafy vegetables, as the booklets of the minister of health indicate—and at the same time a policy which will conserve exchange, which is the only reason our people have been reduced to an austerity and, at the same time a costly, diet.

The proposal will do four things. It will: (1) Permit the importation of lettuce, cabbage, carrots, beets and tomatoes, and any other vegetables the government wishes to include; (2) reduce the cost of food; (3) keep the channels of cattle and beef exports to the United States open; (4) result in a net saving of United States exchange.

I hope the Minister of Finance will be interested in this. The chief reason for not allowing cattle to go to the United States is that we wish to send as much as possible to the United Kingdom and do not wish to disturb the price level in Canada. But what has been the result of prohibiting the import of fresh vegetables from the United States? Our people do not eat more bread or more potatoes. They must substitute some other food for the fresh vegetables they do not consume, and the salads they very much want and cannot have. So they eat more meat, a costly

[Mr. Jackman.]