

The Address—Mr. Fulton

trade. Indeed, sitting here, I had the instructed its followers that they were not to impression that the government had say anything about trade.

An hon. Member: That is not the situation.

Mr. Fulton: I am glad to hear it, but that is the impression I had. There was only one government speaker, and no private member on the government side appeared to feel that the subject was important enough to warrant his giving his views on the situation. It is also significant that the only speaker on the government side—the Minister of Finance (Mr. Abbott)—spoke for something under five minutes, and the sum of his contribution was that a trade conference would not necessarily solve the problem, that he could not see that any good purpose would be served, and that it was not up to Canada to take the initiative. That was the sum total of the government's contribution on that day to the discussion of Canada's great problem. It is true that references have been made to the matter in passing by other speakers on other occasions. For instance, in the course of this debate we heard from the Secretary of State of External Affairs (Mr. Pearson) and he dealt with the question of a commonwealth conference on trade matters. He said that he could not see that any good purpose would be served by it. When it comes to the matter of atomic energy and the difficulties which exist between ourselves and the Russians, he said he would attend limitless conferences. But on trade matters as between members of the commonwealth, the inference would seem to be that it is nonsense to assume that we can solve these problems by conference. Of course, when it comes to atomic energy, we and the Russians have never yet been able to agree. But the inference is that a conference would probably produce good results. But on trade matters between friends, nations of the commonwealth, who normally get along fairly well, the suggestion seems to be that a conference would probably not produce any results at all.

The Minister of Trade and Commerce (Mr. Howe) has not yet spoken in this debate but he recently returned from Europe. I have here a press report of an interview or what I take to be an interview with him when he landed in New York. It appears datelined "New York, March 1" and is headed "Howe Predicts More Exports—Trade Minister Returns From Six-Week Visit to Europe." Both before and after the election the Minister of Trade and Commerce, of course, from coast to coast has been predicting more exports; but the more he predicts more exports, the more our overseas trade seems

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to decline. On this occasion the minister did not give us any facts which would seem to substantiate his moving faith that there will be more exports. The article goes on to say:

Mr. Howe, who arrived aboard the *Queen Mary*, said the over-all outlook for increased trade with Europe is "improving all the time." He added that the dominion is not "overlooking any possibilities" in its efforts to foster more trans-Atlantic trade.

The minister did not say how European countries would be able to pay for our exports with non-convertible currency. According to the article he went on to say:

Canada was encouraging private businessmen to arrange barter deals where such are more desirable. But the Canadian government was not directly involved in any such trade.

About the only impression we can get from an analysis of the minister's statements—at least until he gives us more detailed information in the house—is that, as a result of currency restrictions, we have had to turn the clock back some four hundred years, and have come to a point where money is no longer a useful means of exchange for international trade, and private businessmen are being encouraged to enter into barter deals. The government will not have anything to do with those deals. Oh no, that is not the government's responsibility. Its only responsibility appears to be to encourage private businessmen to arrange these deals and then to insist that they take the whole responsibility for such deals if they go bad.

Presumably, the situation is this, Mr. Speaker. You, coming from an apple-producing area of Ontario, are now encouraged to make a deal with the United Kingdom if you want to sell your apples; and it would be fine, from the government's point of view, if you would care to accept, shall we say, Egyptian cotton in return. Then you would have to set yourself up in the cotton business and find a market for the cotton. But the government will not accept any responsibility for that deal nor, presumably, will they come to your assistance if you are left with a lot of cotton on your hands.

The situation we see confronting this country now with respect to its foreign trade looks a great deal like the situation which developed in 1928 and 1929 when, you will note, Mr. Speaker, the trend toward the loss of Canada's overseas markets, and particularly the sterling market, first set in. Let no one be misled by the oft-repeated and completely unfounded assertion of the Minister of Agriculture in this house that the loss of Canada's overseas markets was the sole responsibility of the Bennett government. The fact is, as I shall show later on from the