

cotton goods from the United States than continue to order them from Great Britain and take a chance on losses by submarine action. Well, if this proposal goes into effect the United States will be allowed to ship here about 32 per cent of our cotton goods. On the other hand, Great Britain would like to send automobiles into Canada. She has been employing engineers from Canada to help her build up an export trade, but she would be allowed to sell only a comparatively small number of cars here because her business in that line in the years 1937 to 1939 was small. These are some of the complications that arise under this new scheme.

We had none of this trouble when there was a premium of 10 per cent on American currency in this country. What happened this year? Why did tourists not bring in all the American money that had been expected? What money did they spend when they came here?

Hon. Mr. HOWARD: Canadian money.

Hon. Mr. HAIG: Yes, they spent Canadian money which they had bought at a discount in the United States. The government required everybody to turn over all the American currency they received to the banks. The managing director of one of the largest department stores in Canada told me that when it was noticed that his company was not depositing any American funds the government investigated, and found the explanation to be that tourists were spending Canadian money. Where did they get it? They bought it from United States banks at a discount.

Let me come to some of the problems of the farmers. We lack American dollars at a time when farmers in Manitoba, Saskatchewan, Alberta, Quebec, Ontario and the Maritime provinces would like to ship cattle to the United States. We cannot ship any over there now, though as soon as the Geneva agreements are put into effect we shall be able to ship some. But why is the American market not opened up freely to our producers? Last Friday a good 1,200-pound steer was worth, I think—and if I am wrong my honourable friends who are in the livestock business can correct me—26 to 27 cents a pound in Minneapolis; but on the Winnipeg market, just across the line, the price was 13 to 14 cents. As my honourable friend from Medicine Hat (Hon. Mr. Gershaw) said yesterday, we should open the market. Now, why not open the market? Who, but the Government of Canada is keeping the market closed?

There is a similar situation as to hogs and grain. Barley is worth about \$1.20 a bushel

in Canada as against about \$2 in the United States; and oats, which bring only 92 or 94 cents a bushel in this country, are selling at about \$1.50 across the border. Why not let these products be sold on the American market? It has been said that the minute this is done the cost of meat in Canada will go up. On Monday, December 8, just a couple of days ago, the *Winnipeg Free Press*, which is not a supporter of the Progressive Conservative party, had an editorial entitled "Lift the Embargo." I will not read it, but if anyone so desires, I will place it on *Hansard*. It makes this point: we have got goods that the Americans want, and if we want more United States dollars we must sell those goods to the Americans. It goes on to say that if we do this the price of those commodities will rise in Canada.

Honourable senators, I can imagine that if it was the Progressive Conservative party which was in power and responsible for keeping our cattle off the American market, my honourable friend from Medicine Hat (Hon. Mr. Gershaw) would have said, "It is the old protectionist policy that is keeping us from trading with the world." Why did he not challenge the Minister of Agriculture to open up the American market? The minister has had three or four days in which to defend the present policy, but there has been no defence of it.

Then of course it is said that if we make the American market available for our producers of bacon and beef, we shall not be able to sell these products to Great Britain at present prices. But the farmers are the boys who are losing money on the deal. We have been selling bacon and beef to Great Britain at about two-thirds of what we could get in the United States. Our farmers have to pay the highest prices for the goods they buy, so why should they not be allowed to sell their products on the highest market? I say that if Canada wishes to sell bacon to Great Britain or any other country at 10 cents a pound when the Americans would pay 20 cents a pound for it, the people of Canada as a whole should bear the loss. They should pay the farmer 20 cents, instead of requiring him to sell at 10 cents. We stick out our chests and say: "Great Britain helped to save the world for democracy during the war, so we are helping Great Britain now." But who are the "we" who take credit for helping Great Britain? I, a lawyer in Winnipeg, and you, a business man in Montreal, are taking all the credit, while we make the poor sucker of a farmer pay the cost.