

*Agricultural Products Act*

**Mr. Burton:** I had no intention of suggesting that the hon. member's time should be cut off or that he should be held to his time. I was interested in hearing his statement as to what could be done to rectify the situation.

**The Acting Speaker (Mr. Golding):** I do not think the hon. member's time has expired, but has he unanimous consent to proceed?

**Some hon. Members:** Agreed.

**Mr. Bracken:** I have tried to point out that the government is in the process of losing, if it has not already lost, the British market as a permanent market for our surplus agricultural products. Some say that it can be picked up afterwards, but in my judgment that market, once it is lost, will be hard to regain. Once Britain finds her supplies elsewhere, it is going to be difficult in the future to get back that market.

I wish now to point out the seriousness of the situation that has developed. It is serious in two respects. It is serious to Canada and it is serious to Canadian farmers. It is serious to Canada because the British market has been the mainstay of Canadian agriculture during the whole history of this dominion. In seventy-nine years out of the eighty-two years since confederation our sales to the United States have been \$10,000 million short of what was necessary to pay for our purchases from that country.

Perhaps I do not need to say to hon. members that we have two great export markets, the United States and the United Kingdom. All others dwindle into insignificance when compared with these. I have mentioned the unfavourable trade balances that we have had with the United States during the whole period of our history. If we go back over the last twenty or thirty years it will show substantially the same thing. There have been unfavourable balances year after year, which means that we have not been selling enough in that market to pay for what we buy.

In seventy-nine years out of the eighty-two since confederation, our sales to the United Kingdom have been \$12,000 million in excess of what we bought. If we lose the United Kingdom market it will be a tremendous loss to make up. We would be hurt in two respects. We would be losing the market, and we would be losing the exchange, whatever value it would have, to help to pay our deficit to the United States. In my judgment if we lose that market now, it will never be completely regained.

Let me emphasize what hon. members know very well, namely, that four out of

[Mr. Gardiner.]

every twelve jobs in Canada come from export enterprises. Four jobs in every twelve exist because of Canadian exports. And one-quarter of Canada's exports are made up of agricultural commodities; three-quarters of the exports of agricultural commodities are to the United Kingdom or the sterling area, and that is the market we are now in process of losing.

As I have said, that market is gradually slipping away from us. It has been kept this year only to the extent of three contracts. We must not make light of them, although they are but three, and for lessened amounts, and only for a year. As I have indicated already, and as I will be indicating later, they were kept only through urgings on the part of this government and through some fear on the part of the British that the favourable terms they now have under the wheat contract might not otherwise be forthcoming.

From what I have said it will be clear that I regard the British market as the best market we have ever had. I said the prospect of its loss was serious to Canada. It is particularly serious to Canadian farmers. They are the first to be hit in a loss of this kind; other sections of the economy suffer afterwards.

I say it is a serious situation facing Canadian farmers. Canadian farmers produce more food products than the Canadian people consume. Taking one year at random, in 1947 Canadian farmers produced fifty per cent more agricultural commodities than the Canadian people consumed; \$1,300 million in agricultural products were consumed here, and \$700 million had to find a market outside Canada. Ordinarily we export about one-third of our agricultural production.

As I have already said, about three-quarters of those exports have found a market previously in the sterling countries. That market is gradually slipping away from us. In seventy-nine years of our history the United Kingdom took \$19,000 million of our exports, and the United States \$18,000 million. Hon. members can thus see how any major loss in the British market will touch the Canadian economy in its most vulnerable spot, its export markets. How vulnerable that is can best be appreciated when I tell you that in seventy-nine of the eighty-two years since confederation we bought \$28,000 million worth of products from the United States, and they bought only \$18,000 million from us. In that same seventy-nine years the United Kingdom bought \$19,000 million from us, and we bought only \$7,000 million from them. The last comparison indicates why the British people are in the position in which they find themselves today. The immediately preceding statement showing our deficit with the