

*Supply—Trade and Commerce*

those higher tariffs should come about, Canada could very suddenly lose a substantial portion of her American market. Therefore I say it is sensible for us in Canada, while there is still time, to try to diversify our markets. This afternoon the hon. member for Lethbridge made some rather interesting remarks as to what should be done. It is pretty well obvious to all that the best alternative market for farm products at the present time is in Great Britain. There can be no doubt about it. The minister himself admitted the British would like to buy our cheese. He said they did like to buy our salmon, but they have not the dollars to do it.

I must contend that a large part of the fault for that fact lies at the doorstep of this government, because the British leaders have told us since the war—not once but a hundred times—that the only way they could continue to buy from us in the same quantities was for us to increase our purchases from them. In other words they said that harsh economic facts force them to bring their Canadian purchases in line with their Canadian sales. They told us that years ago.

I think the government has been apathetic in devising ways of increasing British imports into this country, and thus permitting them to earn more dollars. Britain's plight today is perhaps even more dangerous than it has been in the past. They are still short of dollars. Only last January the commonwealth ministers met, and after that meeting there was a sharp curtailment of purchases made in dollar countries. So the future, to say the least, is not bright.

I feel there are two or three steps the government could take which would enable the British to increase their purchases in Canada, and thus stabilize our farm market. It seems to me that the first sensible step should be for us to decrease our tariff against British goods, whenever it is possible within existing treaty regulations. I think there are certain places we could do that. In the second place I suggest to the minister that our government should embark upon a vigorous "buy British" campaign, right from St. John's, Newfoundland, across to Victoria, British Columbia.

I look at page 486 of the estimates and I find we have 398 employees in the trade commissioner service abroad. They are in about 50 different foreign cities. Most of them are doing a good job; but I think if only 50 of those employees came back to Canada for a few months and got in touch with Canadian importers, a great deal of good could be done. If these commissioners went to the importers, and explained to them why

it was necessary for us to "buy British", and how important it was to the economies of both countries, I believe they would meet with a great deal of co-operation.

Out in Saskatchewan several years ago the Hudson Bay association tried a somewhat similar campaign, when they went to wholesalers, manufacturers and importers and asked them wherever possible to buy British goods, and to bring them by way of the Hudson bay route. Their campaign met with substantial success—perhaps not as much as they would have wished, but enough to have made the effort well worth while.

I repeat that if the government would give leadership in this "buy British" campaign, through its own trade commissioners, it would be a real step forward and would help the British to earn dollars.

The third step which I think could be taken would be for the government to express its willingness to go into unorthodox trading methods such as barter and exchange, or something of that nature. After all, with a surplus of beef and of cheese, and with surpluses of other commodities, and with the fact that many countries need food, it seems to me that any exchange method should be tried.

In the coming year I suggest that the Department of Trade and Commerce give a good deal of attention to trade with Japan and Germany. Now that a peace treaty has been signed with one of these countries, and will be signed soon with the other, there should be real potential possibilities with those countries. Before the war we traded with them very considerably. Both these countries have heavy populations and need food.

Finally, the department should not overlook the possibility of trading with certain countries behind the iron curtain. Britain herself has not overlooked that possibility. In this connection I should like to quote a paragraph from an Associated Press dispatch of Monday, April 14, which states:

Estimates of new east-west trade which may result from the Soviet-sponsored international economic conference here grew by leaps and bounds today . . . A source with the British delegation predicted Britain may get £50 million worth of new business with Russia, China and other communist countries.

I do not know to what extent trade with those nations is possible; but I think Canada must beware lest we become separated from important channels of trade. Those are countries which could absorb a good deal of our merchandise. I realize at once that we would have to be careful to see that strategic war materials did not go to them.