

The Address—Mr. Hees

now to detail all of them, Mr. Speaker, but I do recommend very strongly to the government and to the Minister of Trade and Commerce that they immediately repeat these three things that we did, because these steps that we took provided a great and immediate upsurge in our commodity export trade. They provided the first positive trade balance in nine years, and also made possible the basis of the prosperity which this country has been enjoying ever since. If the government will repeat that successful program today, it will give our exports the stimulus which is needed to help balance our foreign accounts, and provide the employment that we are going to need in the future for our steadily growing work force.

In addition to increasing our sales of industrial products, Mr. Speaker, I think the time has arrived for us to start a drive to sell far more of our agricultural products in the export market. In 1961 our government, by initiating wheat sales to China, demonstrated that wheat could be sold in far greater quantities in the world market than had ever been sold by Canada before.

Some hon. Members: Hear, hear.

Mr. Hees: Our other agricultural products can be sold on the export market in far greater quantities if the same drive is put behind selling these products as we have put behind selling our industrial products. The industrial trade crusade of five years ago paid off very handsomely indeed, and is continuing to pay off every day. It needs reviving, it needs renewing, but it is still paying off.

An agricultural trade crusade of the same pattern will pay off equally well if the same initiative is put behind it, and the same pattern is followed. After all, Mr. Speaker, our trade commissioners are just as competent to sell our agricultural products as they are to sell our industrial products. If they sold our industrial products, they can sell our agricultural products, I believe, even more easily, because our farmers are at less of a disadvantage in selling their products in the world market than are our industrialists. I say this, Mr. Speaker, because our farmers are not faced with the same competition on a mammoth scale as are our industrialists, in competing with the industrial giants of the United States and western Europe.

I believe we can make a spectacular increase in the sale of our farm products if an agricultural trade crusade is started right away. Such an intensified selling campaign is necessary if we are to maintain a good

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domestic price for our farm products and give our farmers a fair return for the work they do and the capital they invest. By selling our farm surpluses overseas we can remove the downward pressure on the domestic price which occurs whenever harvests are good, and crops are larger than normal. Therefore, I urge the Minister to introduce without further delay such an agricultural trade crusade, based upon our industrial trade crusade of five years ago. I am convinced that equally good results will accrue to our farmers, which will enable them to receive a much fairer return for their labour and investment than they do today.

I should like to address a few remarks now, Mr. Speaker, to the Minister of Finance (Mr. Sharp) and ask him and the government to relax immediately the iniquitous tight money policy which has been saddled on this country by his government.

Some hon. Members: Hear, hear.

● (3:00 p.m.)

Mr. Hees: Mr. Speaker, I should like to refer the minister and the government to a statement made recently, as reported by the Canadian Press last Friday, and appearing in most Canadian newspapers. The statement was made by Dr. O. J. Firestone, who was an economic adviser to the Liberal government prior to the time we took over the government in June, 1957. I know that the Prime Minister (Mr. Pearson) has great respect for Dr. Firestone's views, and his ability as an economist. I know the present Minister of Finance (Mr. Sharp) also has great respect for Dr. Firestone's views and ability as an economist, because, when the minister was deputy minister of Trade and Commerce, he worked closely with Dr. Firestone. I know he has great respect for his views. It is for this reason I have hopes that the government will pay strict attention to what Dr. Firestone said recently. I am going to quote his remarks as they appeared in a Canadian Press report of January 21, with the dateline Ottawa. The article reads as follows:

Downward tax adjustments, reasonable credit terms, and an adequate money supply are needed to keep the economy buoyant, a former economic adviser to the federal government says.

O. J. Firestone, Vice-Dean of Social Sciences at the University of Ottawa, writing in the January issue of *Engineering and Construction* magazine says higher taxes and a credit squeeze could cause a recession.

"The objective should not be to cut off prosperity but to prolong it," he writes.

Adequate money supply, reasonable credit terms, and downward tax adjustments, where appropriate