

The Address—Mr. Webb

5. Long-term agreements for primary products such as wheat, apples, fish, lumber, et cetera, should be particularly sought by the Canadian delegation.

I emphasize once again that I believe the time for action of that sort is limited. Some may deplore the fact that it might be necessary to use barter trade. We must realize however that, in the world as it is today, that type of trading is being carried on more and more extensively. If we wish to protect our British markets, then I suggest these steps be taken soon by parliament.

On February 8, Harold Wilson, president of the British board of trade, said:

The British government is prepared to examine any suggestion "however unorthodox" to increase exports to Canada.

The British government is desirous and willing to co-operate. I suggest therefore that this parliament should proceed—and let us proceed soon before, as I said a moment ago, some morning we awaken to find that Britain has concluded a wheat agreement with Russia.

Mr. G. R. Webb (Leeds): Mr. Speaker, may I add my voice by way of congratulation of the mover and seconder of the address in reply to the speech from the throne. May I also add a word of welcome to those new members who have taken their seats at this session, and an especially enthusiastic welcome to my leader, the hon. member for Carleton (Mr. Drew). Not only has he given a great deal of inspiration to hon. members on this side of the house, but he has created a sense of interest throughout the house and has given high hopes to men and women in all walks of life for a greater and more united Canada. His presence here portrays vividly great changes, one being the fact that it has created a housing problem within the seating arrangement for hon. members of the Progressive Conservative party. Every available seat is now taken. I think it only fair to give notice at this time that, should any further by-elections be fought, further seating arrangement be made accordingly.

The speech from the throne begins with these words:

The first concern of government in world affairs is to ensure peace and security.

May I hasten to say that I am fully in accord with those sentiments and I believe all hon. members of the house and in fact all people across Canada are also in accord with those sentiments. After spending many days listening to the speeches that have been delivered in this house, some good and some not good—probably mine will not be so good—I have not as yet been able to develop any great feeling of comfort, especially from what has been said on the government side of the house. I

[Mr. Thatcher.]

realize that there are many problems that present themselves in carrying out those high aims and achievements and I should like to deal with a few of those problems as I see them as well as with some of the things that have come to my attention as I have gone across the country. It seems to me that there are two things, both closely linked together, which are spoken of more than anything else, namely, the high cost of living and the very high taxation.

We hear a lot about the need of keeping down prices, but we do not hear so much, especially from some quarters, about the need of keeping down all kinds of government taxes. In my opinion the various government taxes, direct and indirect, are as much a part of the high cost of living as are prices. High prices are sometimes escapable, but I have yet to find a way to escape high taxes. Therefore, to my way of thinking, high taxes are in reality a greater factor in the high cost of living which affects the people of Canada so much at the present time.

Not only are high taxes hard on the individual, not only do they constitute an important factor in the high cost of living; they affect adversely the whole economy of Canada. High taxation adds to the cost of production, which in turn means higher price tags on the things we have to sell. For a country which must sell about one-third of what it produces in order to keep prosperous, that does not seem to me to be a healthy situation. The nations that buy our goods are not particularly interested in our high taxes, in our production or other costs. If our prices are too high, it follows that they are going to buy from other countries whose price tags are lower. I think we must accept that as being reasonable.

Therefore I submit that something must be done to overcome these extremely high taxes. They are crippling enterprise, stifling development and denying adventure. More and more capital is shrinking from too great risk. More and more businessmen, including farmers, are asking themselves whether it is worth while to work for the state by extending their efforts or whether it is not better just to coast along. High taxes affect people in all walks of life. While it is not my purpose to pick out any particular class, for just a moment I should like to refer to the effect high taxes have had upon the farmers. May I say right here that I have had very close connections with farmers all my life and I know something of their ways.

I have never found farmers to be opposed to the payment of taxes provided they are applied on a fair basis, but they are certainly opposed to the present government's method