

Speech from the Throne

thing is fine in the best of all worlds, there still remains the fact that it is with pessimism that experts in international trade view the years ahead. Here is what the Secretariat of the General Agreement on Tariffs and Trade (GATT) thinks about prospects for 1972, according to a dispatch from Geneva:

—the increase in international trade exchanges will not be higher in 1972 than in 1971, that is five per cent, a much lower proportion than the average for the sixties.

As for the reasons behind our trade difficulties, Mr. Speaker, we can summarize them quite easily.

In the first place, Canada has to export a number of products of all kinds; raw materials, finished and semi-finished products. Our country must export much more than it imports because it must pay for the services rendered by other countries.

These services include the interest on money Canada borrows abroad. Then, Canada has to pay for transportation of its imports and exports because we have no merchant marine. We must therefore charter foreign ships to transport our products. Finally, Canadians travelling abroad spent more than tourists visiting Canada. These are the reasons for our services deficit, that is why, even when our trade balance shows a surplus of some \$400 million for the last quarter of 1971, our deficit in the service sector was over \$600 million, leaving a current account deficit of some \$200 million.

That is one of the reasons why we should strive, without resorting to foreign capital to develop our natural resources and ensure the expansion of our industries. We could then consider giving Canada a merchant marine enabling us to transport our products while providing work to our dockyards and a host of related industries.

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Mr. Speaker, another sector where economic activity should be followed closely, I suggest, is home construction. There is a shortage of housing and we know that throughout Canada the slums should disappear. We know that home construction is an important factor at the manpower level.

It is no secret that the financing of housing at acceptable interest rates would help this branch of our economy. The government, which helps some foreign countries by granting them loans at low interest rates, should also help the Central Mortgage and Housing Corporation with the same conditions. The corporation could thus meet the requests of customers interested in things other than the exorbitant interest rates charged at present which has a workman who gets one of these loans to repay the cost of three houses in the following 25 years: one for the principal and two for the interest.

So, to reactivate home construction, there is no need for miracles; it would be enough to do for Canadians what we do for foreigners. As the 11 per cent tax on building materials is never charged on products sold to foreigners, I suppose it would be normal for this tax to be removed for Canadians also and replaced by a 10 per cent discount on materials sold inside our country.

Mr. Speaker, I have the conviction that it is possible to meet the needs of Canadians. Even though I am known in the House as a Social Credit Party member, the fact

[Mr. Godin.]

remains that I am aware that poverty exists in our economic system and that we must eliminate or at least alleviate it.

First of all, with regard to the problem of poverty, one must ask oneself if it truly exists in Canada. A national product of \$90 billion in 1971, for a population of 21,500,000, meant \$4,300 per person. And we can only repeat that, if poverty exists, it is poverty in the midst of plenty.

According to the data published in the 1970 Canada Yearbook, our country is the second largest in the world, the largest in North America, and the world's largest nickel producer. In 1969, 25 per cent of the total production of zinc of the non-communist world was produced in Canada.

In 1969, Canada was the second largest molybdenum producer, after the United States. It was one of the five largest cobalt producers. It accounted for 70 to 75 per cent of all exports of asbestos and 35 per cent of the world's production. Canada was the largest producer of potassium and the most important producer and the first sulfur exporting country in the world.

Canada is also one of the three most important fish exporting countries. Because it is seen as a very important producer of grain, Canada is called the "granary of the world". Mr. Speaker, the list of our country's achievements is a very long one and its potentiality is unlimited.

If, as a governing body, we give the people the means to obtain all that they need to subsist, there will be no longer any problem of poverty.

Mr. Speaker, in the last few years this government has introduced many projects designed to boost our economy. It went as far as loaning money to the Chinese so they could buy our wheat. They obtain loans on fairly long terms and then they buy from us the wheat they will be eating during the forthcoming 24 month period.

Millions of dollars are handed over to France so that they may have their boats built in our shipyards.

In order to restore our economy, Canada has been subdivided into "special" or designated areas. Last year, I was with a group of visitors travelling through Manitoba and Saskatchewan and I discovered that the majority of the people we met were convinced that the Prime Minister was responsible for the current economic crisis prevailing in the Western provinces because he, being a French Canadian, was channelling all the funds into Quebec. This is what they think over there.

The same situation prevails in the Maritimes. As a member of the Committee on Transport and Communications, I have had the privilege of visiting this other part of the country, and almost all of the briefs submitted on that occasion by the Chambers of Commerce, the various social agencies and the governing bodies of several cities, would wind up with this particular sentence:

"Gentlemen of the government, you are treating us shabbily because we are far from the capital, and we know Quebec would not accept such a situation."

So, Mr. Speaker, in the view of the citizens of the Maritime provinces and those of the Canadian West, Quebec gets very good treatment. Quebec is favoured but is well aware that many of its citizens also have financial problems.