

and consolidate our efforts in an effective fashion. There will be proposed the establishment of a department to be concerned with the environment and the husbanding of those renewable resources that are a part of and dependent upon it, with a mandate for the protection of the biosphere.

However worthy our goals, and however strong our will to attain them, they will nevertheless be denied to us in whole or in part should our economy be malfunctioning. It would be irresponsible to suggest that the economy is now in a satisfactory condition. When costs rise more rapidly than productivity, when men and women are unable to gain employment, when a reasonable distribution of the wealth of Canada is denied to certain sectors or regions, then these are matters for deep concern. Fortunately, our population, the number of Canadians engaged in productive employment, the total volume of goods and services which they produce, and Canadian exports all continue to grow.

Export sales of grains, so important to Canada's economic well-being, are exhibiting a steadily rising trend in marked contrast to the very stagnant situation a year ago. The LIFT program has removed a substantial portion of the accumulated wheat surplus which was inhibiting the international wheat market, and has encouraged a healthy diversification of agricultural activities. The unanimous support accorded the Government's initiative in the development of national marketing agencies by the First Ministers at their recent meeting assures continued cooperation between both levels of government. That cooperation will provide a basis for improved marketing structures for agricultural commodities, which will benefit both producers and consumers in almost all segments of agricultural endeavour. The Government will continue to introduce programmes designed to improve the market potential for agricultural produce and to assist in the adjustment to changes in this vital sector of our economy.

Canadian industry is responding to the challenges of growth and of adaptation to a changing world environment. Our exports in past months have achieved record heights. In an attempt to place the textile industry on a competitive footing, legislation to facilitate adjustment of that industry will be introduced this session.

We are not yet free of inflationary pressures but there has been real progress and price increases have abated to the extent that the Canadian record in the battle against inflation is superior to that so far attained in any other western country. In the result it has been possible for the past several months to moderate certain monetary and fiscal restraints. Unemployment remains distressingly high in some parts of Canada although the rate has not increased significantly in recent months, and measures to encourage regional economic expansion in areas of slower development are beginning to show results. Soundly based growth, which is prerequisite for increased permanent employment opportunities, will continue to be encouraged and will reflect success to the extent that restraint is exercised by all Canadians in the cost area, and that improved productivity strengthens the position of Canada in external trade.

In sum, the vitality of the economy, coupled with present governmental policies, is countering slowly but effectively the pressures of inflation and unemployment. So long, however, as Canadians who desire work are unable to find it; so long as persons on fixed incomes are unable to provide adequately for themselves and their dependants; then so long must the Government strive to assist them.

It must do so even as it acknowledges and weighs the concern expressed increasingly by Canadians about the extent and the nature of foreign ownership in the Canadian economy. Legislation dealing with one aspect of this complex problem, the uranium industry, will be introduced for your consideration.

All these matters require your earnest consideration even as the events of the world beyond our borders demand our constant attention. Canadians have long realized that they represent but a single segment of a larger world community. The political, economic and social health of Canada cannot be maintained should infection of either a primary or secondary nature be rampant in the world at large. The Government continues, therefore, to direct its efforts in increasing measure to those tasks where Canadian initiative and Canadian competence may prove to be as effective as has other Canadian enterprise in the past. Much of this effort is expended within the framework of the United Nations, celebrating this year a quarter century as the conscience and the hope of mankind. In such diverse but important fields as disarmament, environmental protection, economic development planning, the creation of new international legal structures for the deep oceans and outer space, and international security, we work and remain committed to a world in which peace, social progress and the dignity of man will be the norm and not the exception as is now too often the case.

An economy that is in need of adjustment; a society beset by a variety of tensions; an environment that has been abused and degraded; an international community that is under intense pressures—these are problems that demand our urgent attention. But of those that are basically Canadian, none is insoluble. None takes the form of those dilemmas or irreconcilable issues which elsewhere fire the violence of despair. Notwithstanding its difficulties, Canada continues to enjoy social stability to an exceptional degree.

This stability is not simply a matter of luck. Good fortune is a factor, but we should accept gracefully the fact that we are also more amenable to reason and, perhaps more capable of wise decision than we are normally willing to admit. The burden of our European inheritance and our fascination with our American neighbour tend often to detract us and cause us to be unaware of that reasonableness and that wisdom. We forget to our own disadvantage, for these are traits that have made Canada a land of freedom. Canadians should pause on occasions such as this to reflect that their country is regarded by others with envy. It is a high place of liberty in the world. It is held in esteem because in Canada respect is paid to the individual; privacy and freedom of thought are honoured. Among us, each citizen, each community, finds its roots in liberty. Our