

well as by the inflation from which its main supplier, the United States, is now suffering.

It will also be called upon to ratify a comprehensive program of economic liberation, entailing the application of coercive measures that will be quite hard on the Canadian subsidiaries of big American companies, and which also involve a resort to various means with a view to encouraging the development of this country's natural resources.

The Speech from the Throne summarizes the chief measures which the government wishes to submit for the approval of parliament during this session. This program relates to the domestic as well as the foreign policy of Canada.

The Speech from the Throne reviews the world situation and it emphasizes the important part played by Canada at the General Assembly of the United Nations, where this country has obtained by election a seat on the Security Council.

Canada was also represented on the United Nations special committee on Palestine, and support of the United Nations Charter remains an essential feature of Canada's foreign policy, in the spirit of the Speech from the Throne. It seems that the most considerable contribution of Canada and the nations engaged in the planning of peace and prosperity on a world-wide economic basis, is the signing by Canada and eighteen other nations of the general agreement on customs tariffs and trade, known as the Geneva agreements, which involves negotiations for the substantial reduction of customs tariffs and other trade barriers, and the elimination of preferences on a basis of reciprocity and mutual advantage.

The speech from the throne strikingly emphasizes the general prosperity in Canada and the hardships suffered in other countries.

Conditions throughout the world continue to be difficult and disturbing. The dislocations resulting from the ravages of war have become increasingly apparent. In Asia, active fighting continues over large areas. Shortages of the necessities of life, particularly of food, are still acute. In many countries, political and social unrest is serious. Failure to agree on peace settlements with Germany and Austria is preventing the recovery of Europe . . .

While unsettled conditions still prevail in Europe and Asia, Canada has continued to enjoy general prosperity. Employment and national income have reached levels never before attained. We have not been unaffected, however, by the problems and difficulties of other countries.

Our government is fully aware of the fact that an international trade organization is

necessary in Canada, because she has experienced the prosperity resulting from her exports, which reached a considerable figure last year.

Canada is represented at the United Nations trade conference now being held in Havana, which it is hoped will result in the establishment of an international trade organization along lines agreed to at Geneva. The trade agreement and the establishment of an international trade organization will provide a sound foundation for the expansion of world commerce, production and employment.

In the international sphere, does not Canada occupy an enviable position? While this nation lives in abundance, millions of human beings in the over-populated and underfed countries of Europe and Asia are clamouring for food. Canada is in duty bound to make her share of sacrifices in order to help save Europe from ruin.

Canada must help as much as she can in the restoration of Europe. It is to her interest that she should do so. This country will never be self-sufficient and it can never live in isolation. How could this great wheat and lumber empire dispose of its whole production on the domestic market? How could this country, whose population of 12 million owns capital and services sufficient to serve 30 or 40 million people, preserve her prosperity and her unusually high standard of living without obtaining important foreign markets? How could she ward off unemployment and over-production without her export trade?

Is not that commerce vital and essential to Canada's economy?

For the intelligent promotion of our export trade, our government must give its constant attention to the various problems brought about within the country by the rise in the cost of living, the shortage of some building materials, and labour, the instability of part of the farming industry and the countless difficulties which crop up here and there, due to the gradual and orderly abolition of price controls, which was demanded by public opinion. The government is considering, quite justifiably, the continued application of some controls which are indispensable and urgent from a national standpoint.

In discussing Canadian assistance to European countries, allowance will have to be made for the monetary difficulties which have arisen, and the government officials have been instructed to keep constant watch over production and supply conditions which tend to raise the prices paid by consumers.