

Common Market. This was a principal subject of discussion when the Prime Minister visited the Prime Minister of Britain last month. The Government has just announced the appointment of an ambassador solely accredited to the European Economic Communities.

As we set about strengthening our long-established economic, cultural and political ties with Europe we do not lose sight of our closest ally and our primary market beyond our borders, the United States. The Government will continue its discussions with the United States to settle certain difficulties that have arisen in our trading arrangements with that country, and to maintain and expand our trading opportunities there.

Access to foreign markets for exporters will receive particular emphasis. A new round of multilateral trade negotiations under the General Agreement on Tariffs and Trade is planned for the fall of 1973. The Government will participate vigorously in these negotiations.

At home, the Government remains fully committed to two pre-eminent goals, national unity and equality of opportunity for all Canadians.

In pursuit of these goals, the Government assigns the highest priority to two policy areas:

- economic policy, to reduce unemployment, contain inflation and strengthen the economy generally
- social policy, to bring about, in consultation with the Provinces, a re-organization of existing social security programs.

In the area of economic policy, the Government has four main objectives:

First, to expand job opportunities at a rate that will bring about as rapid as possible a decline in the numbers of unemployed

Second, to promote stable economic growth at a rate that will sustain rising standards of living for all our citizens and provide for more satisfactory realization of the potential of the economy

Third, to attain reasonable price stability

Fourth, to ensure that all regions of the country benefit from the prosperity brought about by the expanding economy.

To attain its economic objectives, the Government has set in motion a two-part program.

The first part consists of measures to provide more jobs immediately by strengthening and broadening existing programs. These measures have been announced and are already taking effect:

- increased funding for the Local Initiatives Program
- increased funding for on the job training
- a substantial seasonal capital works project to be undertaken in co-operation with the Provinces and municipalities
- special funding to increase direct employment by the Federal Government in labour-intensive projects.

The second part consists of measures that will add to the fundamental strength of the economy, can be acted upon this session and can be expected to have effect with a minimum of delay:

[The Hon. the Speaker.]

- amendments to the Income Tax Act, the Excise Tax Act and the Customs Tariff, reintroducing measures announced earlier

- major revision of the General Adjustment Assistance Plan, to enable industry to take advantage of opportunities for increasing our foreign trade

- aid to small businesses through new initiatives to strengthen management and consulting services and to improve access to financing facilities

- extension and improvement of the Industrial Development Bank

- measures to assist in the development of the tourist industry in Canada

- amendments to the Export Development Act, increasing the capital of the Export Development Corporation and raising the financial ceilings for lending, guarantees, export insurance and foreign insurance operations

- assistance to cooperatives and credit unions

- renewed measures to reduce deeply-entrenched regional economic disparities. The Department of Regional Economic Expansion will be decentralized to a greater degree to be in a better position to identify opportunities for economic development

- review of research and development incentive programs to improve their effectiveness in promoting innovation in the private sector of the economy, including examination of patenting, licensing and other policies related to technology

- measures to ensure further control by Canadians over their economy by the screening of foreign takeovers of Canadian-owned business; measures respecting the transfer of technology from abroad and access to it by Canadian entrepreneurs; measures to increase Canadian participation in the ownership and control of resource projects; and, in consultation with the Provinces, measures dealing with new direct foreign investment and the sale of land to foreigners

- measures that will restructure the Canada Corporations Act, including a requirement that a majority of directors of federally incorporated companies be Canadians

- the Government will meet with the provincial governments in the five regions of the country, to examine the impact of freight rates on economic development and consumer prices. The railways have agreed to participate in these meetings.

Taken together these measures will contribute to the development and elaboration of a coherent set of industrial policies for Canada.

In the area of social policy, the Government considers that Canada's total social security system—including both federal and provincial elements—must be reconsidered and reorganized, and made more sensitive to the needs of people in different parts of the country.

The Government intends that this reorganization should be based on five principles which, taken together, comprise a statement of the Government's commitment in respect of social security.