

*Governor General's Speech*

and destruction of war. A measure to extend the principle of mutual aid so as to provide for relief, as well as for materials of war, will be submitted for your approval.

Canada's prosperity and the well-being of her people are bound up with the restoration and expansion of world trade. Export markets are essential to the efficient employment of vast numbers of Canadians. Larger imports are needed to raise the standard of living. In accordance with the principles of the Atlantic charter, the arrangements required to clear the channels of trade and promote the flow of goods among all nations after the war are being explored with other countries. Discussions will be advanced as rapidly as the exigencies of war will permit.

The revival of world trade and prosperity after the war will depend upon the speedy recovery of the occupied countries. During the period of transition, the provision of international relief will help to maintain full employment of Canadian man-power and resources.

My ministers believe that the time has come when all the nations now united in the common purpose of winning the war should seek unitedly to ensure an enduring peace. The dangers of future aggression can be removed, and world security attained, only by a general international organization of peace-loving nations. You will accordingly be invited to approve of Canadian participation in the establishment of an international organization to further national security through international cooperation.

While the post-war objective of our external policy is world security and general prosperity, the post-war objective of our domestic policy is social security and human welfare.

In the opinion of my ministers plans for the establishment of a national minimum of social security and human welfare should be advanced as rapidly as possible. Such a national minimum contemplates useful employment for all who are willing to work; standards of nutrition and housing adequate to ensure the health of the whole population; and social insurance against privation resulting from unemployment, from accident, from the death of the bread-winner, from ill-health and from old age.

Post-war planning falls naturally into three broad fields: preparation for the demobilization, rehabilitation and reestablishment in civil life of the men and women in the armed forces; the reconversion of the economic life of the nation from a war-time to a peace-time basis, and its reconstruction in a manner which will provide opportunities for useful employment for all who are willing and able to work; and the provision of insurance against major economic and social hazards.

A broad programme has already been developed for the reestablishment of veterans of the present war, and for the care of disabled veterans and the dependents of our fighting men and merchant seamen. You will be asked to approve a measure to provide war service gratuities for all who have served in the armed forces, and also measures to supplement the existing rehabilitation programme.

The maintenance of full employment will require, in the period of transition from war to peace, a rapid and efficient conversion of war industries, the enlargement of markets at home and abroad, intensified research into new uses of our natural resources, programmes of national and regional development, including housing and community planning.

Suitable peace-time uses for war plants are being sought, and plans are being made for

[Mr. Speaker.]

their speedy conversion. To assist in the conversion of war plants and in the development of small and medium-scale industrial enterprises, the provision of additional credit facilities, for both fixed and working capital, will be required. To meet this need, your approval will be sought for the establishment of an industrial development bank as a subsidiary of the Bank of Canada. Expenditures on developmental work, in preparation for the transition of industry from war to peace, will be encouraged by suitable tax modifications.

To assist in developing post-war export markets for primary and secondary industries, a measure will be submitted to provide for the insurance or guarantee of export credits, and steps are being taken to expand the trade commissioner service abroad.

Provision will be made to expand research activities.

A measure to amend and supplement existing housing legislation will be introduced.

A considerable measure of social security is already provided under federal and provincial legislation, but the working out of a comprehensive national scheme, in which federal and provincial activities will be integrated and which will include nation-wide health insurance, will require further consultation and close cooperation with the provinces. My ministers will welcome opportunities for such consultation.

When suitable agreements are reached with the provinces, my ministers will be prepared to recommend measures to provide for federal assistance in a nation-wide system of health insurance, and for a national scheme of contributory old age pensions on a more generous basis than that at present in operation.

The family and the home are the foundation of national life. To aid in ensuring a minimum of well-being to the children of the nation and to help gain for them a closer approach to equality of opportunity in the battle of life, you will be asked to approve a measure making provision for family allowances.

My ministers believe that the time is rapidly approaching when a minister of the crown should be responsible for each of the three broad fields of post-war planning. You will accordingly be asked to approve the establishment of the following departments of government:

(1) A Department of Veterans' Affairs to have charge of the rehabilitation and reestablishment of members of the armed forces, and the administration of veterans' pensions and allowances;

(2) A Department of Reconstruction to promote and coordinate planning for national development and post-war employment; and

(3) A Department of Social Welfare to organize and to assist in administering activities of the federal government in the fields of health and social insurance.

Underlying efforts for the winning of the war and the solution of post-war problems is the necessity of preventing the inflationary effects of war. My ministers believe that to prevent inflation and to safeguard a basic standard of living it remains necessary to maintain the price ceiling and stabilization of wages and salaries.