

shall be faced by the danger of unemployment. To sum up, we must replace war-time markets by peace-time markets.

One obstacle in the way of foreign trade is the poor economic conditions prevailing in most potential buying countries. This government has taken steps to circumvent this situation by making available credits or loans on a large scale to many western European and other countries. These loans will serve the two-fold purpose of assisting in the re-establishment of the ravaged countries of our allies and ensuring a foreign market for our products. To date, loan agreements have been entered into with England, Belgium, China, Czechoslovakia, The Netherlands, The Netherlands East Indies, Norway and Russia. Furthermore, negotiations are well advanced toward making a very large amount of money available to France. Except in the case of England, these funds will be used entirely to purchase goods in Canada and will be paid back in due course at normal rates of interest.

The credit to Britain is also a loan which will be repaid with interest. As I understand it, it is basically a business proposition, intended to give Britain an opportunity of buying Canadian products, and as such it will be enthusiastically endorsed. Except for this loan, and a larger one from the United States, Britain might, and probably would, be forced to do most of her export and import business with countries dealing in sterling, thereby increasingly excluding Canada from this important market.

Moreover, loans of this kind to Britain are needed if she is to be able to pay for her imports in currency that can be used in other countries, as we wish her to do and as the Bretton Woods agreement requires if it is to work properly. We want to be able to sell our products in Britain for money that we can spend not only in Britain but also in France, in the United States or elsewhere. We want Australians who sell wool in Britain to be able to use the money they receive to buy goods in Canada. This credit to Britain, together with the larger one from the United States, will help to make this possible.

The loan to Britain, accordingly, does not oblige the British to spend all the proceeds in Canada. But the fact is that the British within the next two years expect to spend considerably more than the amount of the loan on purchases in the dominion. It would be generally recognized as fit and proper for Canada to wish to help England to the greatest possible extent, in the light of her extreme and disproportionate war-time sacrifices. But at the same time it is well to

remember that the loan is greatly to Canada's interest from the point of view of business and post-war trade. The government is to be commended for its forward looking policy in extending these credits, which are proving, and will continue to prove, of such great advantage to Canada—the lender—as well as to our allies—the borrowers.

As was pointed out in the speech from the throne, Canada's internal problems must indeed be viewed in the light of world conditions to be seen in true perspective. This country's status among other nations is continuing to grow under the splendid and outstanding leadership of the Prime Minister (Mr. Mackenzie King). We must now be prepared to play our part to the fullest extent called for by our obligations. We anticipate a fair share of the world trade and we want, of course, to live in peace. Therefore we must expect to contribute in full measure to any programme necessary for the readjustment of commerce and to the organizations established under the general assembly of the united nations, with a view to avoiding future wars.

We can well be proud of the part the Canadian delegation, headed by the Minister of Justice (Mr. St. Laurent), played in the first meeting of the united nations organization in London. They brought great credit to Canada, as we knew they would. It is gratifying to know, further, that Canada is to participate in the forthcoming peace conference in Paris, and this House is well aware of the part the Dominion is taking in conferences dealing with international finances. These are all problems of an international nature which have a very direct bearing on our Canadian standard of life and we must be prepared to view them in that light.

Now, Mr. Speaker, I would say a few words about the armed forces and the veterans. Except for the occupational forces in Germany, the bulk of our troops have returned from foreign theatres. Considering the strengths of our forces abroad in the three services, the number of nations requiring troop carrying facilities and the fact that there were two separate theatres of war, one cannot avoid being impressed by the amazingly outstanding success of the repatriation programme. I would take this opportunity of expressing to the ministers of national defence our admiration and commendation for the vital task so well performed under difficult conditions. We do not overlook the fact that many of our soldiers are bringing war brides and families with them to Canada, and we wish to assure them of a welcome in this country. They are