

The Address—Mr. Broome

the growth in our economy will provide increased revenue which will eventually bring the fund back into a balanced position.

In 1962-63 old age pensions amounting to some \$737 million will be paid to 930,000 Canadians. This money will be spent for goods and services, and will provide a stimulus to the entire Canadian economy. In total all social justice payments have been increased from \$1.3 billion in 1956-57 to \$2.3 billion in 1960-61, an increase of 77 per cent.

The speech from the throne indicated the desire of the government to introduce a system of contributory and portable pensions. As reported at page 531 of *Hansard* the Minister of National Health and Welfare had this to say about this proposal:

The second aspect of making adequate income provision for our senior citizens relates to the question of contributory old age survivors and disability insurance which, as indicated in the speech from the throne, is to be placed before parliament if the provinces view with favour a suitable amendment to section 94(a) of the British North America Act.

The government's objective in this regard is clear cut. Our aim is to have an integrated program of old age income security which, in addition to the universal flat rate benefit, will provide a graduated benefit for all those who can reasonably afford further provision for their old age and who have not already undertaken it under private pension plans or other contractual agreements.

As the house knows, this government, through federal-provincial conferences called by the Minister of Justice, has been endeavouring to reach agreement on the question of having our constitution amended in Canada. This has been our hope. We now feel it is necessary to ask the provinces to agree to an amendment to the B.N.A. Act so we may proceed to carry out our decisions in this regard.

In another area very vital to Canada, what is our record in regard to export trade, because Canada is more dependant upon export trade than any other industrialized nation? At least one job in five depends upon export trade, and in British Columbia the ratio is even higher. Dealing with commodity exports only, the total for 1956 was \$4.8 billion. In 1961, taking the latest figures available, October 1960 to October 1961, they were \$5.7 billion, an increase of \$900 million. In 1956 we had a trade deficit of almost \$600 million, while in 1961 we will have a balanced trade with exports slightly greater than imports. Also, Mr. Speaker, as you know our trade will be at an all time record high.

This has not happened by chance, but because this government went out to aid our exporters in every way possible. We eliminated the exchange premium on the Canadian dollar and immediately made our

goods more competitive in world markets. We provided export credit facilities to provide long term financing for capital goods exports, and we made \$200 million available for this purpose. To date almost \$186 million has been committed, and this session we have increased this fund to \$300 million. These facilities allow Canadian manufacturers to sell fully manufactured goods on credit and meet the competition of foreign firms in this regard, particularly United States firms operating through the export-import bank. We are participating in more international trade fairs than ever before; we are sending overseas more trade missions than ever before, and our trade commissioner service has been told to get out and sell Canadian goods.

Any discussion of trade would be incomplete without a reference to the European common market and the strong possibility that Britain will join this association. As far as I am concerned, I believe that what is best for Britain's long range interests will also be best for Canada. I would prefer a strong Britain in the common market to a weak Britain outside. Many people have suggested that Canada should join the common market. The truth of the matter is that we cannot join the common market. As the Minister of Finance said in a speech to the Kiwanis club in Montreal on February 1, when referring to the European economic community:

Six European countries seeking closer integration, partly for economic and partly for political reasons, signed in March, 1957 what has come to be known as the treaty of Rome, which provides for the establishment of their common market.

He went on to point out that this treaty applies only to European countries, although there is provision for associate countries to join the common market. These associate countries were originally the French community in Africa and underdeveloped countries whose products would be complementary to and would not conflict with European products. They are countries which are not industrialized. There is no provision for industrialized countries such as Canada to join the European common market and, as the minister went on to say when speaking to high ranking officials in Europe, "We cannot join, and we would not be welcome even if we tried."

Finally, Mr. Speaker, before I leave the subject of trade let me point out that not only is our export trade at a record high but we now have a more diversified trade pattern. We have markedly increased our exports to the United Kingdom, western Europe, South America and commonwealth markets other than the United Kingdom. Although the

[Mr. Broome.]