

*The Address—Mr. Granger*

walls and protective barriers and that the policy of protective trade barriers which was accepted generally during most of this century is now being superseded by a freer trade policy, at least within certain areas. It would seem that the next logical development would be freer trade between these areas.

I suppose that an outstanding example of free trade between peoples in a large geographic area is the group of federated provinces which through confederation became the modern nation of Canada. Confederation made possible free trade between all the provinces, and the spectacular growth of Canada is a justification of the wisdom of the fathers of confederation and of an integrated economic system of free trade within a vast geographic area. As we in this land of free enterprise and enormous resources see the changing trends in the world abroad, is it too hard to visualize a broader application of the principles which worked so well at home so that commerce may move more freely between the trading and economic blocs taking shape in the world today? Far from being dismissed as utopian, the idea of freer trade is realistic and may well point the way to economic prosperity as well as provide a mighty argument for peace.

However, I should like to particularize for a few minutes with respect to trade in Newfoundland. I do this for two reasons. The first one is this. From time to time the Atlantic provinces, of which Newfoundland is one, are referred to as the have-not provinces. The second reason is that I and others from the province of Newfoundland, and I might add the other Atlantic provinces, from time to time make requests for special assistance or special forms of assistance for our fisheries. There is the possibility that hon. members may, after hearing repeated requests for assistance, be inclined to think that we from the eastern seaboard are constantly begging help, that the assistance we receive from the federal treasury is simply a subsidy to bolster an uneconomic region, and that in order to exist at all the Atlantic provinces must be the recipients of federal dole. Nothing is further from the truth.

In fairness to hon. members I may say that they have probably been too kind to put this idea into words. However, I might say, such suggestions have been made outside this house; and repeated utterances with respect to what the federal government has done for the Atlantic provinces are apt to give rise to this thought.

I should like to recount briefly what is the position with regard to trade in Newfoundland. From earliest days Newfoundland depended upon international trade for survival.

Prior to our entry into confederation we exported all that we produced and we imported all that we used. I use the term "all" broadly. Perhaps I might say that we exported 90 per cent of what we produced and imported 90 per cent of what we used. However, the fact is that we exported practically all we produced and we imported practically all that we consumed. We imported largely from the United States, Great Britain and Canada. Our fish, wood, pulp and paper and minerals all went to markets outside Newfoundland. Our food and our clothes and the other multitudinous items used in our households and our industries were imported from abroad.

After Newfoundland entered confederation we still exported abroad our paper, minerals and fish, but—and here is the significant difference—we now bought, after Newfoundland entered confederation, practically all our consumer goods from the mainland of Canada. I would call the particular attention of those members representing industrial areas to this aspect of Newfoundland trade. Those members from farming and fishing areas can well understand our problem, for all producers have at least two things in common. The first is that they are the producers of the nation's primary wealth and the second is that they are buyers of the nation's industrial output.

In Newfoundland we provide food and materials which the markets abroad want. We consume the things which the Canadian manufacturer makes. The money earned in Newfoundland is by and large passed on to the industries of Canada for clothing, machines, tools and so on. Most of our foodstuffs including grain products, breakfast foods and all the myriad forms that foodstuffs take, come of course from various parts of Canada of which we are now a part.

There is a partial exception to the above statement. Some of our fish goes to the Nova Scotian plants to be processed for export, but of this I shall say more anon. By and large, the money earned by our exports finds its way into mainland Canadian coffers. I might add that I am not complaining about this situation at all. I merely wish to establish the fact.

We produce thousands upon thousands of tons of paper. The Anglo-Newfoundland Company last year sold approximately \$36.5 million worth of pulp and paper. We export fish of various kinds, including dried salt cod and fresh frozen cod and haddock as well as other varieties. In 1960 it is estimated that about \$32 million worth of fish was exported. We export iron ore, copper, lead and zinc. In my own district there is the mine at Buchans,