

cantly affect international costs of manufacturing industries, when these firms require financial assistance to enable them to establish or restructure operations in order to take advantage of new opportunities or to improve their international competitive position or when service industries by restructuring improve the ability of manufacturers in international trade competition.

Vote 10b—To authorize an extension to the vote wording so as to enable the Minister to provide guarantees and insurance to Canadian companies and organizations for approved projects undertaken to promote Canadian agricultural products other than grains and oilseeds.

Explanation—This authority is requested so that the Minister may provide guarantees and insurance on contingent contributions to Canadian companies and organizations in respect to approved projects undertaken to promote the expansion of the total market for Canadian agricultural products other than grains and oilseeds. The present vote wording does not constitute authority for projects involving the Crown in contingent liabilities outside the current fiscal year. These liabilities would result from agreements entered into with firms to reimburse them if there were a default in the repayment of loans made by the firms in support of selected projects.

It is also proposed to establish a statutory limit of \$1,200,000 for guarantees and insurance on these contributions.

Vote L17b—Authority is requested to extend the purposes of the vote wording so as to enable additional manufacturers to receive direct loans under the General Adjustment Assistance Program.

Explanation—The direct loan portion of this program was established in 1968 to assist manufacturers in Canada who have been seriously injured or threatened with serious injuries as a result of increased imports attributable to the Kennedy Round tariff reductions. Subsequent amendments extended the direct loan portion to manufacturers of textile or clothing goods who were injured or threatened with injury as a result of imported goods and manufacturers injured by the imposition of a temporary surtax by a country other than Canada. The current revision extends direct loans to any person or manufacturer engaged in a manufacturing enterprise in Canada who in the opinion of the General Adjustment Assistance Board, requires such loan in order to adapt efficiently to competition from goods imported at such prices, in such quantities or under such conditions as to cause serious injury or to be threatened with serious injury and who is unable to obtain sufficient financing on reasonable terms from other sources.

Vote 30b—To authorize an extension to the vote wording so as to enable the Minister to provide guarantees and insurance to Canadian companies and organizations for approved projects undertaken to promote Canadian grains and oilseeds.

Explanation—This authority is requested so that the Minister may provide guarantees and insurance on contingent contributions to Canadian companies and organizations in respect to approved projects undertaken to promote the expansion of the market for Canadian grains and oilseeds. The present vote wording does not constitute authority for projects involving the Crown in contingent liabilities outside the current fiscal year. These liabilities would result from agreements entered into with firms to reimburse them if there were a default in the repayment of loans made by the firms in support of selected projects to expand the effected market for Canadian grains and oilseeds.

It is also proposed to establish a statutory limit of \$2,000,000 for guarantees and insurance on these contributions.

Manpower and Immigration

Vote 10b—To authorize an extension to the vote wording so as to permit the payment of travelling allowances to certain Manpower clients.

Explanation—This extension in authorization is proposed so that travelling allowances may be paid to Manpower clients who require special diagnostic counselling not otherwise available at their local Manpower Centre. These travelling allowances will be paid as part of the recently expressed intention by the Department to extend a special range of manpower services to unemployed workers who, for one reason or another, have experienced a significant difficulty in either entering or sustaining themselves in the labour market. Since such diagnostic services are generally in short supply, it will be necessary in many instances to send clients from one centre to another. The present Manpower Mobility Regulations do not provide for paying allowances under such circumstances.

National Health and Welfare

Vote L16b—Authority is requested to repeal the authorization establishing the Health Insurance Supplementary Account and to replace it with a new Fund and to extend the benefits available under this Fund.

Explanation—The present Hospital Insurance Supplementary Account was established in 1966. It provides for payment in respect of the cost of insured services incurred by persons who, through no fault of their own, ceased to be eligible for insured services under the Hospital Insurance and Diagnostic Services Act. An agreement has now been reached with the provinces to extend these provisions to cover medical services effective July 1, 1972. The revised vote wording is necessary to provide for this and to create the new Health Insurance Supplementary Fund. The balance of the existing account will be transferred to the new integrated Fund. The Fund will be sustained through matching contributions by the provinces and the Federal Government on the same basis as the previous account.