

the establishment of international banking centres in Montreal and Vancouver. This would be consistent with our desire to broaden our trade and business interests in Europe and the Pacific Rim.

To support investment in university-based research and development and to establish a new partnership between the private and public sectors in R&D, the government proposes:

- to provide a secure funding base for the Natural Sciences and Engineering Research Council, the Medical Research Council and the Social Sciences and Humanities Research Council by adding \$300 million to this base over the balance of the decade;
- further, by matching private sector contributions to the councils, dollar for dollar to a maximum annual increase of 6 per cent.

To help young people obtain a first job and to assist women re-entering the labour market, the budget allocates \$800 million to the Canadian Jobs Strategy in 1987-88. The budget also announces federal funding of up to \$125 million over a four-year period to finance a new Program for Older Worker Adjustment.

Several measures in the budget reinforce the government's support for small business.

- The tax rate on small business income will be reduced from 15 per cent to 13 per cent, beginning July 1, 1987. The tax rate on small business manufacturing income will be reduced from 10 per cent to 8 per cent.
- The 12.5 per cent dividends distributions tax will be repealed effective January 1, 1987.
- The tax rules providing deductions for allowable business investment losses will be broadened.
- The ceiling of the Small Business Loans Act will be increased to \$2.5 billion.

To enhance the rate of private sector job creation in the Atlantic and Gaspé regions the government is launching a major new initiative, the Atlantic Enterprise Program.

To promote northern development and encourage the economic self-reliance of native peoples, the budget announces: a new, permanent system of tax benefits for housing and travel for residents of the North and isolated posts; a \$50 ceiling on the air transportation tax; amendments to the Indian Act to allow bands to levy municipal-type taxes on Indian lands; the extension of the Indian Remission Order; and the allocation of up to \$40 million in 1986-87 to extend the Indian Community Human Resource Strategies program for a second year.

To encourage the work of the voluntary sector the government will continue to examine a number of measures to encourage charitable donations.

## Morrice exhibition crossing Canada

A major retrospective of the work of the internationally acclaimed Canadian artist, James Wilson Morrice, who is known principally for his landscapes and urban scenes, is touring major art galleries across Canada until the end of 1986.

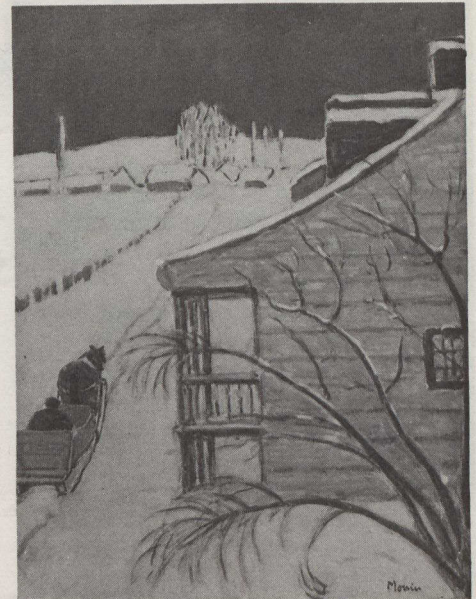
The exhibition, *Morrice: A Painter with a View*, was organized by the Montreal Museum of Fine Arts where it opened on December 2. It is currently in Quebec City from where it will travel to Fredericton's Beaverbrook Art Gallery, Toronto's Art Gallery of Ontario and the Vancouver Art Gallery. The tour is sponsored by the National Museums of Canada.

James Morrice was born in Montreal and spent most of his adult life in Paris, though he also travelled extensively throughout Europe, North Africa and the Caribbean. During his lifetime, 1865-1924, he participated in many exhibitions held in the major cities of Europe and North America.

He won a number of awards for his paintings including a silver medal at the Pan-American exhibition in Buffalo, New York, in 1901 for *Beneath the Ramparts, Saint-Malo*.

The 109 works in the exhibition include 12 water-colours, three sketch books, 20 "pochades" (oil sketches on wood) and 74 oils on canvas. They are from some 30 collections, including those of the Montreal Museum of Fine Arts, the National Gallery of Canada, the Musée du Québec, the Vancouver Art Gallery, the Musée d'Orsay, the Union centrale des arts décoratifs de Paris, the Tate Gallery in London, England and private collections across Canada.

James Morrice's works are a reflection

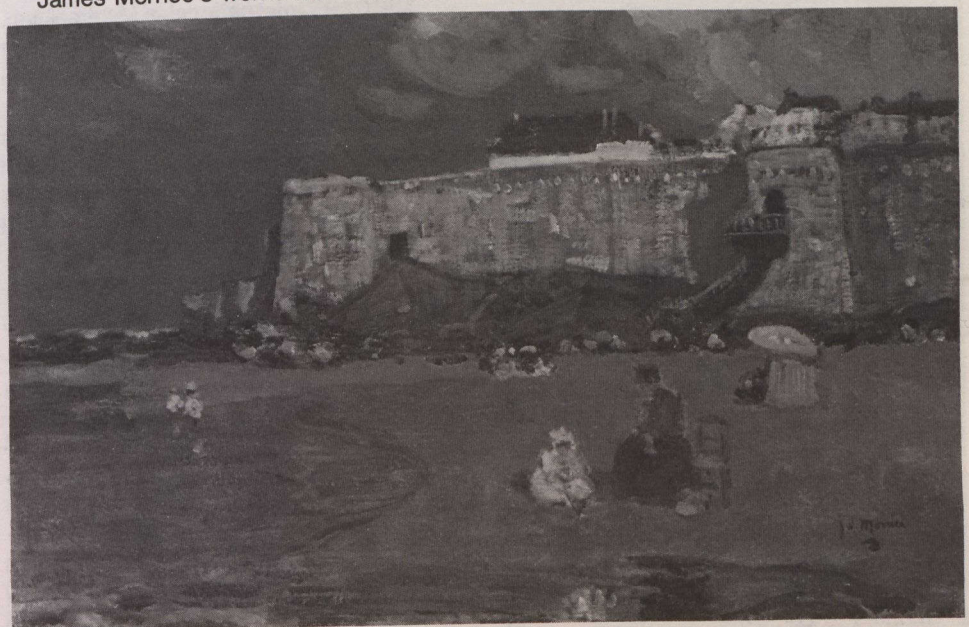


Quebec Farmhouse, oil on canvas, circa 1921.

of his extensive travels. He painted landscapes in Toronto and throughout his native Quebec as well as Paris streets, circuses and European beach scenes.

While his works vary in subject and style, most portray a hazy, almost dreamy world of splendid colours.

His most distinctive achievement in painting is generally considered to be his brilliance as a colourist. Much of his work reveals a fascination with colour and shape. Typical are his skies and clouds of faded pink and yellow, faint oranges, pale greens, violet and light blue. Even the few portraits he painted show expressionless subjects or facial features that cannot be distinguished at all.



Beneath the Ramparts, Saint-Malo, oil on canvas, 1898-1899, won a silver medal in 1901.