

The comprehensive proposals put forward at the different sessions of the Conferences proved unacceptable to some of the provinces and the Conference adjourned in April, 1946. Since that time, the Canadian Government has entered into agreement with seven of the provinces for the rental of individual and corporate tax fields and succession duties, with the two largest provinces abstaining and with some of the major issues left in abeyance.

The economic policies of the Canadian Government during the post-war period have contributed in no small part to Canada's present high levels of employment and income, and have gone far towards achieving many of the objectives set forth in the White Paper and in the Government's Proposals. The orderly transition from war to peace has taken place without interrupting Canada's industrial expansion, which was greatly accelerated under the stimulus of war. Controls were relaxed as circumstances made this possible, but were retained where necessary as an anti-inflationary measure. Goods and materials in short supply were allocated to meet increased consumption and investment demands and at the same time fulfil international obligations and maintain export markets. Fiscal and monetary policies were directed towards increased production and further industrial development. The budgetary surplus level curtailed so as not to interfere with private investment in capital plant and equipment for productive purposes; low-rental homes as well as rehabilitation credits and services, were provided for veterans; social security measures were extended. In the international field, Canada contributed to efforts aimed at restoring world trade on a more stable basis and co-operated in measures to ensure greater economic and political stability among the nations of the world.

The economic circumstances of the postwar years have been such that Canada has been experiencing a period of full employment rather than underemployment. There has, therefore, not been the immediate urgency for developing detailed Dominion-provincial plans, for the support of employment and income, in the public investment and social security fields.

(a) Constitutional Provisions

The only constitutional change of note in the British North America Act that has affected the division of powers in the economic and social fields was the amendment of 1940, which made it possible for the Dominion to introduce a national unemployment insurance scheme and its ancillary national employment service. In preference to seeking further constitutional amendment of the B.N.A. Act, the Dominion - Provincial Conference of 1945 sought to achieve smoother inter-governmental working arrangements through reciprocal agreements.

(b) Statutory Provisions

Before the war, and particularly during the thirties, a number of Acts of economic significance were introduced by the Canadian Government, primarily to deal with the problem of low incomes among primary producers. During the war years and in the transition period, the Government has added to this basic legislation a number of statutes designed directly or indirectly, to maintain full employment and promote economic stability.

Earlier legislation contributing to the stabilization of the Canadian economy includes the following:

1. Old Age Pensions Act, 1927.
2. Canadian Farm Loan Act, 1927.
3. Bank of Canada Act, 1934.
4. Prairie Farm Rehabilitation Act, 1935.
5. Canadian Fisherman's Loan Act, 1935.
6. Canadian Wheat Board Act, 1935.
7. Prairie Farm Assistance Act, 1939.