

Canada has been signally honoured by the selection of a member of its Government as President of the sixth assembly of the League of Nations.

I congratulate you on the growing prosperity of this favoured land. The products of our agricultural and other basic industries have greatly increased. Our export trade shows remarkable expansion. Our manufacturing and related industries throughout the Dominion have experienced a development not enjoyed in many years. Further evidence of industrial progress is reflected in the greatly improved earnings of the railways.

This increased prosperity and advancement have been aided by the policies of the Government and the reductions in expenditures and taxation made from time to time. In the opinion of my Ministers the improved conditions warrant further substantial reductions in taxation.

Every effort will be made further to reduce expenditures. To aid in the reduction of expenditures in administration certain of the departments of the public service will be consolidated with others and government services more effectively co-ordinated.

Our revenue is derived partly from taxes made necessary by the war and partly from other sources. In order that the people of the Dominion may have an exact knowledge of the sources of their revenue and the objects of its expenditure simplified forms of account will be issued periodically.

With the improvement of conditions throughout the country the Government have formulated and put into operation a comprehensive immigration plan. My Ministers desire it to be known that the Dominion welcomes settlers of the classes which can be absorbed into our population. Regulations have been simplified, transportation rates greatly reduced, and the care of settlers to destination and during early settlement given every attention. Measures will be taken to further the retention on the land of our existing agricultural population, to encourage the return to rural parts of urban dwellers possessed of agricultural experience, and the repatriation of Canadians now living in other countries. Special arrangements will be proposed for settlement on Crown Lands.

An agreement has been made between the Government and the railroad companies providing a larger measure of co-operation in immigration activities in the British Isles and on the continent of Europe. An agreement entered into with the British Government has already been instrumental in stimulating immigration from Great Britain.

While it is of importance to attract new settlers it is equally, if not more important, to assist those who are already established on the land by reducing the cost of agricultural production. To this end a measure will be introduced offering wide facilities for rural credits.

My Ministers are of the opinion that a general increase in the Customs Tariff would prove detrimental to the country's continued prosperity and prejudicial to national unity. In their view the incidence of this form of taxation should bear as lightly as possible upon the necessaries of life and on agriculture and other primary industries. They believe that in the interest of industrial development every effort should be made to eliminate the element of uncertainty with respect to tariff changes; that changes in the tariff should be made only after the fullest examination of their bearing upon both primary and manufacturing industries and that representations requesting increase or decrease of duties should be made the subject of the most careful investigation and report by a body possessing the necessary qualifications to advise the Ministry with respect thereto. A Tariff Advisory Board will accordingly be appointed forthwith. This Board will be expected to make a careful study of the Customs Tariff, the revenue to be derived therefrom and the effect of the tariff and allied factors on industry and agriculture.