

be necessary for governments at all levels to maintain an active interest in this measure and bring to bear their considerable influence in ensuring the full utilization of the resources of the Act, if its purposes are to be achieved.

46. Higher education, also, must continue to be the concern of all. It is not sufficient for the physical facilities of universities and colleges to be expanded to accommodate the growing number of students. Continuous thought must be given to the provision of teaching staffs in these institutions capable of imparting knowledge to those who will in the future be leaders in the world of industry, commerce and the professions. Canada needs the best in brains and ability, and lack of finances must not be a barrier to those who are capable of and have the potential to achieve leadership.

47. Much is being done by industry to provide training on an in-plant basis. Increasingly, industry is finding that it must supplement the education and academically acquired skills which it acquires in hiring the graduates of universities, technical institutes and secondary schools by means of special courses which impart specific skills. Training must be made available to provide those who work in industry with the skills to operate and maintain today's mechanized equipment as well as the elaborate planning necessary for its efficient use. Industry recognizes an obligation to assist, where practical, its employees to adjust to the requirements for new skills.

48. There is also an urgent and continuing need to convey to school-age youth and to their parents a realistic appreciation of what the working world demands in an economy of rapidly changing technology. When so large a proportion of the youth in our schools fail to realize the handicaps under which they will labour if they enter the wage market with inadequate training and adaptability, high social and economic costs are the price.

49. In this connection, it would be well if attention were paid to measures which will help increase the public esteem for vocational education. It is most unfortunate that this type of specialized training is regarded as a somewhat dubious second-best. It is most necessary that this attitude be changed, particularly since the demands of the future are going to require keen minds capable of broad understanding to take this training which has become to some considerable measure the substitute for the older apprenticeship system. There are many students who would find that vocational training is admirably suited to their capabilities and would provide the job opportunities they seek. However, something must be done to overcome the present attitude towards such courses so that they may be fairly assessed at their true worth.

Taxation:

50. Canada is a very heavily taxed country despite its small population. The fact that total taxation—federal, provincial and municipal—in 1959 was 33.1 per cent of the national income is proof of this. In this respect it occupies an intermediate position among the countries on which information is available. I refer you to the proceedings of Special Committee of the Senate on Manpower and Employment No. 4, January 25th, 1961, p. 203.

51. Corporation tax rates at the present high level undoubtedly hurt the economy. They add to the cost of finished goods since they are included in the cost of all materials, parts and other goods a manufacturer buys, and have a pyramiding effect on prices. Consequently, they make it more difficult for the Canadian manufacturer to compete with foreign manufacturers. High corporation taxes are harmful also to the economy since they reduce the amount of funds available for the purchase of modern machinery and the expansion of industries.

52. Canadian corporation income tax rates are approximately equal to the rates of corporation income taxes in the United States and the United Kingdom.