

United States will be examined in such areas as specialty steel products, urban transportation equipment, petrochemicals, textiles and clothing.

#### *Competitive World-Class Industries*

To compete in the world economy, Canada needs to modernize capital facilities, develop new industries and rebuild plant and equipment.

A key element in sustaining Canada's growth and creating jobs will be the increased use of micro-electronic technology. Legislation will be introduced to confirm the tax incentives for research and development announced in the April Recovery Budget. Further steps will be taken to implement the technology policy announced earlier this year, including creation of a national micro-electronics design network. The Natural Sciences and Engineering Research Council will receive additional funds. A newly created Office of Industrial Innovation will work closely with Canadian industry to develop commercial application of new technologies.

The automobile industry is crucial to our economic well-being. Stabilizing employment in automobile manufacturing and its supplier industries is an essential task. The Government intends to seek a Canada-Japan Auto Agreement for the benefit of both countries, leading to additional production facilities and parts procurement in Canada.

Planning for industrial reconstruction and new investment must be based on business-labour-government consensus. Sectoral collaboration is at the core of the Government's industrial policy. Three business-labour task forces, on the automotive, aerospace and forestry industries, have now reported and are receiving responses. Another task force on the petro-chemical industry is underway. The benefits of such collaboration are already evident—in aerospace, more than 8,000 new, permanent, high-technology jobs and potential new export sales of over \$20 billion will result from the Government's initiatives with Bell Helicopter and Pratt & Whitney. Additional task forces are planned on information technology, private trading houses, textiles and clothing, shipbuilding and a deep-sea fleet, and selected elements of the service sector.

Small scale entrepreneurs are the unsung heroes of the recovery. Small businesses are a perpetual source of inventiveness, valuable export earnings, and vast job creation potential. To assist this sector, an expanded Shop Canadian program will be launched. Access to federal programs for small businesses will be improved using the Federal Business Development Bank for delivery.

Tourism is a source of income for hundreds of thousands of Canadians and is particularly important to the small business sector. A national tourism strategy, developed in co-operation with the industry and the provinces, will promote each region's special features. Canada's attractions will be aggressively marketed both at home and abroad, and especially in the United States.

Young Canadians want to know their country better. Older Canadians deserve a chance to see the land they have built. A new Canadian rail pass, similar to the Eurailpass, and other forms of discount fares will be initiated.

Additional attention will be given to the needs of the travelling public. Domestic air transportation will be reviewed with the object of reducing fares. The safety of air travel will be improved through funding for a new independent Aviation Safety Board.

The Via Rail system will be upgraded through construction of new maintenance facilities in Western, Central, and Atlantic Canada. New trains will be developed for light density routes. Passenger services will be extended where traffic volumes warrant.

#### *Building on our Resources*

As part of the Government's thrust for growth, measures will be introduced to modernize and upgrade the fishery, forestry, mining and agriculture.

The Government of Canada recently took the lead in a restructuring of the Atlantic fishing industry. Above and beyond the funds for restructuring itself, nearly \$200 million is being put to work improving fish grading, freezer facilities and for other measures of benefit to independent processors and individual fishermen. Funds for the fishing vessel assistance program will be increased for 1983-1984.

The fishery agreement with the Province of Newfoundland marked a turning point in the Government's relations with that province. It provides a promising basis for future co-operation in the best interests of Newfoundlanders.

The Pacific fishery—commercial, sports and native—is an important national resource. The Government recognizes that the problems of this essential west coast industry require urgent attention.

### *Speech from the Throne*

In addition to monies already provided for capital facilities, substantial funding to assist the Quebec fishing co-operative will be announced shortly.

Many Canadian communities depend on mining or forestry as their sole industry. The new regional development agreements will pay particular attention to the mining sector. The Government's forest renewal strategy will also be extended via these agreements, through the conservation corps—Environment 2000—and by additional funding for forestry research and development.

To help ensure that food production will continue to be one of Canada's long-term strengths, a livestock stabilization program will be established in co-operation with the provinces. Amendments will be proposed to the powers of the National Farm Products Marketing Council. A commission of inquiry will study the problems of potato marketing in Eastern Canada. The maximum for advance payments for grain will be increased. Amendments will be introduced to the Western Grain Stabilization Act to make it more responsive to the needs of producers.

Abundant clean water is a precious Canadian resource. Investment in Prairie water and soil requirements will expand, especially through the work of the new hydrology laboratory in Saskatoon. The Government welcomes the United States Government's increased recognition of our mutual problems of water quality. The negotiation of an agreement with the United States on acid rain will be pursued and efforts to reduce Canadian sulphur emissions will proceed.

Energy policy must continue to command the attention of Canadians. The framework for achieving our national goals of energy self-sufficiency and increased Canadian ownership was put in place with the passage of the National Energy Program. It now forms an integral part of the long-term planning of energy companies, large and small. Petroleum Incentive Payments, in particular, encourage both new sources of supply and enhanced Canadian ownership. The Government will continue its strong commitment to the NEP in order to ensure that our goals are reached. Legislation will also be introduced to confirm the Canada-Nova Scotia Energy Agreement—a stimulus to new large-scale development off Canada's east coast.

#### *[Translation]*

#### *III. Partnership for Recovery*

In its early stages the recession, in combination with high rates of inflation, caused a deterioration in our sense of community. Each major group in society sought to blame economic decline on someone else. Later, however, Canadians recognized that to avert the downward spiral they needed to turn away from past divisions and work together to restore growth and prosperity. This new co-operative spirit has already produced tangible results in sharply reduced inflation, renewed growth, and enhanced employment prospects. But more is required.

The Minister of Finance has already begun a new round of economic consultations with provincial governments and other economic partners. Building on this initiative, the Government intends to introduce more permanent mechanisms of consultation. Regular economic outlook conferences involving labour, business, government and other interested parties will be called to pool information, to exchange views about the prospects ahead and to improve the basis for co-operative action. A new Industrial and Regional Development Board, jointly chaired by representatives from labour and business, will be formed to give practical advice on how best to implement the Government's industrial policy.

Work with the other economic partners to consolidate the gains from the 6 and 5 program of June 1982 will proceed.

While stimulating job creation, the Government will hold to a fiscal policy track which will contain and then curb the federal deficit as recovery strengthens. Administered prices will not be allowed to run ahead of other prices.

Following extensive and continuing consultations with the private sector and the provinces, the Government will introduce a new competition policy to bring market forces to bear in the continuing fight against inflation. The legislation will modernize conspiracy, monopoly and merger provisions, and promote the interests of consumers and small business through a freer marketplace. Amendments will also facilitate consortia to compete abroad for export sales and development projects.

To develop new ways in which co-operative, credit unions and caisses populaires can make even more of a contribution to the economy, the Government will support the formation of a task force. It will explore how co-operatives