

### *Prorogation of Parliament*

combined balance of our international transactions in goods and services has improved from the average for 1972.

The external value of our currency in terms of United States dollars has floated within a narrow range.

The rise of prices in the course of this year has been a matter for constant concern. The increase in prices of industrial materials, foodstuffs and petroleum has been general throughout the world. The impact of these price rises on Canadians has prompted a number of the measures you have taken to relieve hardship among Canadians and to promote an increase in supplies for the future.

#### *[English text]*

During this Session you have acted to deal with the energy situation. The Government has placed before Parliament the basis for a new national energy policy. The objective of that policy, to be reached before the end of the decade, is Canadian self-reliance in oil and oil products. Included in the essential requirements for a new policy are the creation of a national market for Canadian oil; a pricing mechanism that will provide sufficient incentives for the development of our oil resources; measures to ensure that any escalation in returns and revenues as a result of any higher prices will be used in a manner conducive to security and self-sufficiency; the establishment of a publicly-owned Canadian petroleum company principally to expedite exploration and development; the early completion of a pipeline of adequate capacity to serve Montreal and, as required, more eastward points; and the intensification of research on oil sands technology to permit their full and rapid development.

During this Session you have enacted measures designed to begin the implementation of this new policy. The Government has held discussions with the provinces and further negotiations on this subject will take place. In the meantime Canadians are being asked to economize on the use of energy and the Government is confident that the Canadian economy is sufficiently flexible and resilient that it can adjust quickly to changing conditions and can maintain high levels of production and employment.

In the Speech from the Throne beginning this Session, the Government announced a new priority for social policy issues, and the reorganization of social security programs. An important development in fulfilment of this promise was the decision of federal and provincial Governments to commence a comprehensive two-year review of the entire Canadian social security system on the basis of a framework set forth in the Working Paper on Social Security presented to Parliament last April by the Minister of National Health and Welfare.

One of the two main objectives set out in the Working Paper, and agreed on by federal and provincial Ministers, is to strengthen the incentive toward, and the reward for, productive self-reliance on the part of all who can participate in our work force. In pursuit of that objective, the government proposed, and Parliament accepted a legislative initiative to increase substantially Family Allowance benefits. Since wages are not geared to family size, as are social assistance benefits, this measure reached out in particular to the many in our society who, for various reasons, are employed at earnings below the level of family need. The new Family Allowance program seeks to reduce such inequities and increase the incentive to remain in the work force. To effect a sizeable measure of income redistribution at the same time, these new and higher allowances have been made taxable.

To reinforce further the strong desire for independence and self-reliance among our population, our Government, with the concurrence of the provinces, took steps to strengthen the major social insurance program in the country, the Canada Pension Plan.

Through legislation which you have approved the levels of earnings on which contributions can be made will be raised, thereby allowing Canadian workers more adequately to protect themselves against financial hardship arising from conditions over which they have little or no control—aging, disability, or the death of a family breadwinner.

Furthermore, the Government took steps to maintain the purchasing power of social security benefits. For example, under the Canada Pension Plan, War Veterans' Allowances, Superannuation and Family Allowance programs, benefits were made subject to full escalation to meet cost-of-living increases. Old Age Security and the Guaranteed Income Supplement for the aged, which were already fully indexed, had this escalation put on a quarterly basis. Through these measures, all major government income security programs now assure a continuing full dollar value.

[Mr. Speaker.]

#### *[French text]*

The other major objective of the social security review is to ensure a decent basic income standard for all those who cannot, and should not be expected to work. Accordingly, at the beginning of this session, the government proposed, and Parliament assented to, a significant increase in the level of security guaranteed our senior citizens. Thanks to this measure, single persons 65 years of age and more are today assured a guaranteed income of over \$2,000 a year, and couples are assured in excess of \$4,000 a year—levels which compare very favourably with those of any nation in the world.

But these actions do not exhaust the tasks inherent in the social security review. We can now look forward with justifiable hope to further achievements in the review, aimed at maximizing the benefits and reducing the inequities of Canadian society.

You have acted in this Session to improve the standards and the availability of Canadian housing. You approved a measure that provided assistance for research and planning for community development; for public acquisition of residential land; for the improvement of existing residential neighbourhoods; for the improvement of housing for native people; for the increase in housing available for low income families; for the development of cooperative housing; and for beginning protection of buyers similar to that provided for the purchasers of other consumer products. You also enacted the Residential Mortgages Act, which is intended to increase the funds available in Canada for home mortgages.

You were compelled during this Session to deal with a strike in the railways, but you were able to act justly and expeditiously so that no extensive harm was done to the nation.

Measures to improve immigration procedures were enacted during this Session and the Government acted to legitimize the status of thousands of immigrants.

Steps were taken during this year to improve the operations of the Unemployment Insurance Commission.

Of prime importance to the Canadian direction of the economy was the enactment of the Foreign Investment Review Act. This is a positive measure, designed to promote the development of both the Canadian economy and the Canadian identity. The review process that it established is a flexible instrument which recognizes that foreign direct investment is a complex of costs and benefits. It is intended to help us obtain better performance from foreign investment in Canada while arresting and reversing a trend toward foreign control of enterprise in Canada. This measure is not intended to terminate foreign investment in this country; it is intended to provide a welcome to foreign investment that is of significant benefit to Canada.

#### *[English text]*

Substantial increases in the sales and prices of wheat are manifestations of the prosperity enjoyed by Canadian farmers during this Session. In order to protect these farmers you have enacted measures to eliminate capital gains taxes on family farms passing from generation to generation and to reduce the cost to the farmer of crop insurance. Both farmer and consumer have been protected by the increase in the support levels on dairy products and by the increase in feed freight rate assistance in eastern Canada and British Columbia. Steps were taken to improve generally the marketing of agricultural products and the development of a new feed grains policy was initiated.

In this Session you renewed for a five year period the restriction on capital punishment, and you enacted an important measure to protect the privacy of individuals from abridgement through modern technology. You also enacted a measure to provide protection against air piracy and you increased the membership of the National Parole Board.

You addressed yourselves to the strengthening of the institutions of Canadian democracy. The Government announced its policies toward conflicts of interest of Ministers and public servants. It laid before you a Green Paper on Members of Parliament and conflicts of interest. You initiated the process of review and possible modernization of the system of determining representation of the people in the Canadian Parliament.

Of prime importance to Canadian democracy, you passed the Election Expenses Act. This measure will serve to open the doors of direct political participation in government to many more people. It will provide a more open and just ground for political campaigns in our