

United States so as to extend the benefits gained by each member of the world's most important trading partnership.

Policies designed to promote a related, yet distinct, sector of the economy, tourism, will be revealed in coming weeks.

A basic building block in the growth of Canada's national wealth has been the performance of our resource and energy industries. Over the years they have opened new frontiers and stimulated the development of the sinews and muscles of Canada; they have accumulated capital for reinvestment, enhanced the scientific and technical skills of Canadians, and accounted for a healthy export surplus. A continuation and strengthening of government-industry relations is necessary in order that such areas of challenge as environmental impact and the increasing demand both within Canada and abroad for resources and energy be fully addressed.

The competitive requirements for northern development will continue to be recognized; development will not be permitted at the expense of the northern peoples and the northern environment. To ensure the involvement of the residents of the north, and their participation in the design of their own future, there will be continued support for the development of local government in the northern territories.

Canada's primary food producers—our farmers and our fishermen—form one of the traditional and still basic strengths of our economy. Their continued productivity and livelihood is of immense importance to the Government and to the country. Improvements and achievements of the past several months will be strengthened and continued. Measures already undertaken and which have substantially improved prices to fishermen—upwards of 50 percent in some cases—will be extended, ensuring that the benefits of price support for fish products go to the fishermen themselves. Wheat farmers will be assured of an increased return equivalent to the higher price for wheat consumed as food by Canadians. To avoid distortions in food prices, the cost of this program will be borne by the Treasury rather than by the consumer; to avoid distortions in production, a formula for distribution will be proposed which relates payments to grain acreage rather than to actual wheat production. The Government will assist further the position of farmers and fishermen through the implementation of several programs. It proposes the establishment of new national marketing agencies and the implementation of a small farm development program. The recent extensions of fisheries closing lines will permit the Government to engage more actively in the management of its marine resources so as to increase the supply of fish available to Canadian fishermen in the waters off our coasts.

Both the effectiveness and the quality of any program for the provision of services to Canadians depends increasingly upon a harmonious fiscal relationship between the federal government and the governments of the ten provinces. Legislation will be introduced, therefore, proposing the renewal and improvement of equalization arrangements, increasing to 100 percent the level of stabilization of provincial revenues, and a number of other items. These will include the administration on

behalf of requesting provinces of succession duties and gift taxes, the extension for two years of the transfers to provinces respecting post-secondary education, the provision of a five-year revenue guarantee to provinces to protect their income tax revenues under the new system, and the sharing with provinces of the special tax on undistributed corporate income.

As a further protection against the isolation of individuals caused by economic deprivation, the fundamental reform of protective measures which commenced last year with the new Unemployment Insurance Act will continue. A new Canada Labour Code, reflecting the many representations received in past months, will be introduced as will important amendments to the Fair Employment Practices Act. The Canada Manpower programs will be improved and additional steps will be taken to make the training and placement services adequate to the needs of specially disadvantaged people whose particular problems present challenges which cannot be met with the use of regular program resources or techniques. For those persons seeking to further their education, the loan limits under the Canada Student Loans Act will be raised, permitting students to borrow more within a given year and increasing significantly the total amount available under the program.

The isolation which is a product of social injustice is less well understood than that which comes from economic denial. Nevertheless, its consequences dare not be ignored by any society. The irony of isolation in an urban surrounding cannot be resolved by any single act. One essential, however, is the provision of adequate housing of high standard to all Canadians. More dwelling units were started in 1971 than in any single year in our history, including a record number for lower income families. It is clear, however, that Canada's housing needs cannot be met only through increases in scale. What is required, and what the Government will be proposing, are fresh concepts, continuing research, and imagination in neighbourhood improvement with emphasis on the need for low-cost housing.

In order to achieve our goal of full participation by all members of society, all barriers leading to isolation must be removed. We cannot invite respect for our laws and support for our institutions from persons to whom they are irrelevant or ineffective. Government activities must reflect the needs of all Canadians, not only the favoured. A giant step in this direction was taken with the adoption last session of tax reform legislation which spreads more evenly the burden of social services on those Canadians best able to bear it. Another step, and long overdue, consists of policies to ensure the equality of women in Canadian society. These will be announced this session.

Protective steps will be proposed in a number of areas of wide concern to Canadians—the non-medical use of drugs, compensation for victims of crime, and the protection of privacy. Progress toward more humane treatment of offenders will continue with further reforms in the penal and parole systems. Amendments will be proposed for reforms in the administration of the criminal law. The Government is committed as well to federal participation in legal aid subject to satisfactory cost-sharing and administrative details being worked out.