

are not sharing fully in Canada's prosperity, and programs aimed at realizing this objective will be placed before Parliament for consideration and action.

In the year ahead of us, we can expect higher levels of employment, production and incomes. Present indications are that the main sources of demand will continue to be strong, and a further major increase in business investment appears likely. However, with less slack available in our physical resources, expansion of output in 1966 will likely be somewhat less than the high growth rates experienced in the last two years.

In fact, with the economy working closer to capacity, the expansion in national output for 1966 will depend to a greater extent than in the past on a more effective use of available resources and manpower.

The Government is acutely aware of this, and rightly so, for it is only out of the increased revenues generated by an expanding economy that its vital proposals can be met.

The Speech from the Throne contains many references to the effective use of valuable resources. A new department of government, to be known as the Department of Energy, Mines and Resources, is proposed; so also is a science council to further encourage scientific research; and effective rural development, to take another example, is also part of the proper utilization of valuable resources.

In another and related vein, the Speech from the Throne includes a passage which reveals the Government's determination to prevent the boom we are enjoying being jeopardized by excessive costs and prices. The Government's intention "to continue its policy of stretching out its expenditure on public construction projects in areas of heavy pressure on the construction industry" is a clear indication that it is prepared to do what is necessary to ensure economic stability.

The effective use of manpower is another critical necessity of an expanding economy. As such it has received a considerable amount of attention in the Speech from the Throne. A new department of government called the Department of Manpower is to be established. It will bring together the Immigration Branch of the Department of Citizenship and Immigration and various sections of the Department of Labour—the National Employment Service, the Technical and Vocational Training Branch, the Civilian

Rehabilitation Branch, the Manpower Consultative Service, and other services relating to manpower. This will make it possible for the Government's manpower policies to respond more quickly and efficiently to the ever-changing needs of the country.

There are many immediate tasks. Production in many industries is now being hampered by lack of skilled labour. These shortages must be relieved, preferably by up-grading the existing labour force, but, if this is not sufficient, through immigration. It is equally important to ensure that the available skills are in the places where industry wants them and at the time they are wanted. For this purpose, steps are being taken to improve the effectiveness of the Government's employment services.

Honourable senators, I would like also briefly to refer to another proposal in the Speech from the Throne which will be engaging our attention and is of the highest importance. I refer to the Government's intention—as the speech reads:

...to foster more effective development of the human resources of Canada by assisting the expansion of institutions of higher education, and by providing greater and more equitable opportunities for young Canadians to attend such institutions.

There is a tendency in many quarters to dismiss summarily this type of proposal as an invasion of provincial rights. It is true that the provinces have jurisdiction in relation to education, but for many years the federal Government has been assisting institutions of higher education in a manner which fully respects the jurisdiction of the province. The additional assistance envisaged in the Throne Speech will be very substantial—a 150 per cent increase in the per capita grant has already been pledged as interim assistance for universities in the academic year 1966-67, and will be rendered in a manner consistent with the jurisdictional position of the provinces.

Government assistance to individuals seeking higher education takes the form of scholarships, bursaries and loans. Student aid, originating with the federal Government, has a long history. Perhaps the best known example is the crash program developed for returning veterans in the years following World War II. But there are numerous other programs as well, and in the last Parliament we added to them. We adopted a system of youth