

the Commonwealth, including the implications of the possible membership of the United Kingdom in the European Economic Community.

Important conferences with provincial governments have taken place during the session. Three further meetings have been held at which progress was made in finding ways and means of amending the Canadian constitution in Canada. A third dominion-provincial conference on fiscal arrangements was held, and you have approved legislation concerning the arrangements for the five-year period beginning April 1962.

My Government has been gratified to observe the recent improvement in the general economic conditions in Canada. Although the volume of employment has been at the highest level in the nation's history, the provision of additional employment to re-employ those who have been out of work and to keep pace with the growth in the labour force has remained a cause for concern in Canada as in the United States. Many of the measures passed during the session have been designed to stimulate the national economy and to create more jobs.

You have approved an expanded program of assistance to municipalities for winter works projects. You have amended the National Housing Act to make further improvements in the terms of mortgage lending, to authorize Central Mortgage and Housing Corporation to make loans on favourable terms to universities for students' residences, to enable the corporation to make long-term loans to local authorities for approved projects for sewage disposal and treatment, and to increase the lending authority of the corporation.

To assist in strengthening Canada's competitive position in export and domestic markets, you have authorized the establishment of a National Productivity Council with membership from the fields of industry and commerce, organized labour, agriculture and other primary production, as well as qualified persons chosen from the public at large and from the scientific agencies of government. You have also approved the creation of a National Design Council which will be devoted to the promotion of excellence in the design of Canadian products of all kinds.

You have enacted measures to extend the assistance given to provincial governments for technical and vocational training, both within the school system and for the training and retraining of persons who have already become workers, and for the vocational rehabilitation of disabled persons.

To stimulate the growth of Canadian private enterprise you have approved legislation authorizing government guarantees for

bank loans to small businesses. You have passed measures to expand the field of operations and the lending authority of the Industrial Development Bank, and to make broader and more effective provision for Export Credits Insurance.

Authority has been given under the Income Tax Act for accelerated capital cost allowances to assist new industries in areas having a substantial degree of continued unemployment over a period of years, to aid in the development of new products from processing operations not previously carried on in Canada, to encourage the production of new types of goods, and to promote re-equipment and modernization of Canadian industry. Amendments have been made in the Income Tax Act including revisions in the withholding taxes on interest and dividends paid to non-residents. The Excise Tax Act was amended, notably to repeal the special excise tax on automobiles.

You have enacted a measure in the national agricultural program to authorize the federal Government to join with provincial agencies and local groups throughout Canada in comprehensive programs of rural rehabilitation and development. In addition, amendments were made to the Farm Improvement Loans Act to raise the overall limit on guarantees of bank loans for farm improvement, and to the Farm Credit Act to increase the lending authority of the Farm Credit Corporation for direct loans to Canadian agriculture.

A number of further steps were taken in the Government's national development program. A treaty was signed with the United States on the international aspects of the proposed co-operative development of the Columbia River, and the federal Government has offered, subject to the approval of Parliament, to share equally with the province of British Columbia in the cost of the large water storage projects involved. Agreements have also been signed and appropriations made for flood control and conservation projects in the Metropolitan Toronto and surrounding area and on the Upper Thames River in southwestern Ontario. Legislation has been passed to approve a Canadian National Railway line to the new mining area near Mattagami Lake in northwestern Quebec. In addition you have authorized the construction of a railway line from northern Alberta to Great Slave Lake which constitutes another important step in the development of the Canadian North.

To accelerate the modernization of the Customs Tariff of Canada, you have enlarged the Tariff Board and authorized it to sit in two panels, and you have made certain revisions in the Customs Tariff.