

*Prorogation of Parliament*

fourth session of the twenty fourth parliament of Canada with the following speech:

Honourable Members of the Senate:

Members of the House of Commons:

The fourth session of this parliament, the longest in Canada's history, has been particularly significant for the people of Canada, and the number of measures enacted on their behalf has been unusually large.

Mounting international tensions have been a source of deep anxiety, made more acute by the Soviet union's resumption of nuclear tests and the resultant fear of a renewed menace to human health through radioactive fall-out. These and related developments continue to command the vigilant attention of the government.

Berlin is the latest and most dangerous in a series of regional crises precipitated and exploited by the U.S.S.R. In the Congo, in Southeast Asia, as well as in Berlin, Canada has been active in international arrangements to contain conflict and restore stability. At the same time, my government has been energetic in promoting and exploring through the United Nations and in the North Atlantic alliance all possibilities for negotiated settlements of an honourable and lasting nature.

Despite delays and setbacks in progress toward a treaty providing for controlled disarmament, agreement has been reached on a framework to guide future negotiations with the Soviet side. The government has taken its part in formulating a new and comprehensive western plan which offers a realistic basis for early and effective measures to reduce both conventional and nuclear armaments under safeguards and to provide adequate international means for keeping the peace as disarmament proceeds.

At a meeting in London in March, the prime ministers of the commonwealth resumed their discussions of major world crises and reviewed constitutional developments. Far reaching decisions were taken affecting the composition and character of the commonwealth.

The importance of bearing a fair share of assistance to less developed nations continues to be recognized by the government. Established programs of aid were maintained and new emphasis given to educational assistance, drawing upon both of the historic cultures of Canada. Administrative changes were introduced to improve the central direction of all external assistance programs. Canada's diplomatic representation abroad was expanded, particularly in Latin America.

In the face of the increase in world tension it is necessary to maintain the strength of the free world. You have been informed of the measures being taken to strengthen the Canadian forces in Europe and at home, and of the survival training plan to be conducted in all parts of Canada this year.

During the present session you have welcomed and heard in parliament the President of the United States.

Important international tariff negotiations have been in process in Geneva. In these negotiations every effort has been made to meet the trade problems of Canada in a constructive way in dealing with the new economic grouping in Europe. My ministers have taken a leading role at a meeting of commonwealth economic ministers at Accra, convened to consider economic questions of 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 agriculture 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 over-all 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.