

STIMULUS TO AUTO INDUSTRY

Mr. C.M. Drury, the Minister of Industry, announced in the House of Commons on October 25 certain new measures that were being introduced by the Government to foster greater production and trade in motor vehicles and parts. An Order in Council had been passed, he said, that gave effect to the new measures as of November 1, 1963, which would supersede the provisions of the existing Order regarding the remission of duties on importations of automatic transmissions and stripped engines.

HOW REMISSION MAY BE EARNED

The new measures provide for the remission of duties on importations of vehicles and parts for use in the manufacture of motor vehicles in Canada. This relief may be earned through exports of vehicles or parts in excess of exports made during the 12 months ending October 31, 1962. Exports to any country are eligible to earn a credit for such remission. Credits may be earned by vehicle manufacturers through exports by themselves or by the part makers.

One dollar of exported Canadian content will earn the remission of duties on one-dollar worth of dutiable imports. If full advantage of the plan is taken by industry, it could lead to increased production and exports of between \$150 million and \$200 million annually and to the remission of duties on an equivalent value of imports into Canada.

INITIAL PERIOD OF ENFORCEMENT

The new measures will be in force initially for three years. Mr. Drury stated that the Government would wish to review the progress achieved under the plan at the end of this time and to be guided accordingly in implementing future measures by the results achieved in the interval.

The objectives of this plan are threefold:

- (1) To increase production and create additional employment in Canada;
- (2) to take an important step to improve Canada's balance-of-payments position; and
- (3) to give producers of parts for vehicles and producers of vehicles a valuable incentive to achieve longer production runs and a greater degree of specialization, thus assisting them on reduce their costs.

The plan involves no restriction of trade. The new measures do not require the enactment of new duties or other restrictive measures. They will be implemented entirely within the context of Canada's trade-agreement commitments.

BENEFITS OF THE MEASURES

The Government believes that the new plan will make substantial new production opportunities available to Canadian automobile producers. It should also help them to reduce costs, with benefits to them and to Canadian consumers. Furthermore, it is consistent with Canada's policy of solving its trade

and balance-of-payments problems by constructive measures and not through restrictive actions. Under these new measures, trade in both directions will be encouraged.

The Government feels that this plan will contribute to a greater flow of trade between Canada and its trading partners, and will place Canadian producers in a much better position to compete effectively in Canadian and international markets.

ANCIENT ESKIMO SITES STUDIED

A survey and excavating project covering almost 500 miles of Arctic territory previously untouched by the archaeologist's spade has uncovered signs of Eskimo habitation dating from about 2,000 B.C. The project, carried out during the summer months by the National Museum of Canada, is part of the Museum's programme of field work. The party sent north this year, the twentieth since the end of the Second World War, was directed by the Museum's Arctic archaeologist, W.E. Taylor, and covered an area from Cape Parry to Cambridge Bay.

PRE-DORSET FIND

At the head of Wellington Bay, on the south shore of Victoria Island and more than 1,200 miles north of Regina, the party discovered a site belonging to the pre-Dorset culture, the earliest Eskimo period in the Central and Eastern Arctic. It is estimated that the site was in use about 2,000 to 1,500 B.C.

The pre-Dorset people were the first to occupy the Central Arctic after the retreat of the great glaciers. The find indicates the route of Eskimo migration from Alaska across Canada to Greenland and the Ungava Bay region. Pre-Dorset camping sites were found in 1959 in Ungava, some 900 miles southwest of Wellington Bay.

THULE CULTURE

During the survey, the party found 26 sites and some 2,000 artifacts. At Cape Parry they excavated a house built and occupied about 800 years ago. Its builders represent a spread of population that drifted, over the centuries, from northern Alaska across the Canadian Arctic to Greenland. That stage, called the Thule culture, is the direct ancestral source of the modern Canadian Eskimo.

At Bernard Harbour, the party also found a summer fishing camp of the early Dorset culture, dating from about 200 B.C. Seven other sites were discovered in the area of Wellington Bay and Cambridge Bay on southeastern Victoria Island.

Limited salvage excavations were undertaken at a rich, pre-historic Eskimo site on Bylot Island, near the north coast of Baffin Island and close to 1,900 miles north of Ottawa.