

There are also substantially increasing numbers of immigrants from the British Isles arranging to proceed to Canada this year.

Recent events have confirmed my ministers' belief in the importance of seeking solutions to international problems through the United Nations and of upholding by all practical and constructive means the principles of the United Nations Charter. My ministers also believe, however, that while making every effort to achieve these long-term goals, the Western nations must remain strong and united in their defences and in their diplomacy in order that aggressive action against them will be prevented and international tension can be lessened.

Excellent progress is being made in our national economic development. Expansion is evident in every part of Canada. Rapid strides are being made in opening up and utilizing our natural resources and in our industrial and urban growth. Employment has reached unprecedented levels. Once again we have been blessed with good crops. External trade was considerably greater last year than during any previous year. Canadians in almost every part of the country have been enjoying the benefits of this invigorating economic climate.

Indeed our economic expansion has been so rapid that it has put a serious strain upon the supply of various types of labour and materials needed for the many projects which are being put in hand. The corresponding competition to borrow savings to finance all these projects has brought about an increase in interest rates. Increases in the volume of money and credit have had to be carefully limited in order to check inflationary tendencies and the financial policies of my Government have also been directed to counteract these same tendencies.

In the last few days a serious industrial dispute has led to a stoppage of work on one of the major railways of Canada despite the use of the normal processes of conciliation. Special efforts have been made and are continuing to be made by my ministers to assist the parties to reach an agreed settlement.

The preliminary report of the Royal Commission on Economic Prospects has been received and will shortly be laid before you.

You will be asked to approve a measure for the establishment of a Canada Council for the Arts, Humanities and Social Sciences, in order to give a new impetus to the development of Canadian scholarship and culture. In this measure you will be asked to approve an endowment for the council so that it may discharge its functions with the greatest possible sense of responsibility.

Because it is important that our universities should be able to keep pace with the increasing demands to be made upon them by the increasing number of young Canadians, you will be asked to approve a further grant of money to the Canada Council to be distributed by it for the purpose of assisting Canadian universities in some of their necessary construction projects. You will also be asked to approve the doubling of the annual grants to universities, and the payment of these funds to the National Conference of Canadian Universities for division by it among the recognized institutions of higher learning.

A measure will be placed before you for the purpose of renewing on a revised and increased basis the federal program of grants to provincial governments in aid of technical and vocational training.

It is proposed to recommend in the Senate the establishment of a committee to consider what should be done to make better use of land for agriculture and thus to contribute more effectively to the improvement of agricultural production and the incomes of those engaged in it.

An amendment extending the scope of the Municipal Grants Act will be laid before you to authorize the payment of grants in lieu of taxes on federal property in all municipalities where such property receives the normal municipal services.

An amendment to the Merchant Seamen Compensation Act will be presented making appropriate improvements in the scale of benefits to disabled seamen and the dependants of deceased seamen.

You will be asked to consider legislation for the implementation of a North Pacific Fur Seal Convention.

An amendment to the Sockeye Salmon Convention Act to include pink salmon in this international agreement will also be laid before you.

You will be asked to consider a revision of the law controlling narcotic drugs in the light of the report of the Senate committee on the use of narcotics in Canada.

A bill will be introduced for the purpose of continuing the Canadian Wheat Board as the sole marketing agency for western wheat, oats and barley.

A measure will be laid before you to provide for the division of the National Museum of Canada into two museums to be known as the Canadian Museum of Natural History and the Canadian Museum of Human History.

A revision of the Federal District Commission Act will be presented for your consideration.

Amendments of detail to a number of other acts will also be introduced.