

*Honourable Members of the Senate:*

*Members of the House of Commons:*

It affords me much pleasure to greet you upon the resumption of your Parliamentary duties.

The interval which has elapsed since the last Session witnessed the Coronation, in the month of May, of Their Majesties King George the Sixth and Queen Elizabeth. The event was one of special significance to the nations of the British Commonwealth. In the Coronation service and ceremonial, recognition was given to the relationship between the Sovereign and his peoples in the several Dominions, as embodied in the Statute of Westminster.

Members of the Government participated in the deliberations of the Imperial Conference which followed immediately after the Coronation. The Summary of Proceedings of the Conference will be placed before you at an early date for your consideration. It is the belief of the Government that the opportunities afforded for the exchange of views and information on questions of common interest and concern, will serve to further the well-being of all parts of the Commonwealth.

It is gratifying to note that, during the past year, there has been a further substantial advance in Canada's economic recovery. Revenues have reached new levels. Trade with other countries has materially expanded. There has been a general increase in employment and marked decrease in the numbers receiving unemployment aid.

The recurrence, in a more acute form, of drought conditions in certain areas of Western Canada has unfortunately made it necessary to provide assistance on an unprecedented scale. The Government intends to continue its activities under the Prairie Farm Rehabilitation Act.

In view of the success which has attended efforts to assist in the training of unemployed young people, it is proposed to extend the scheme during the coming year.

The Department of Agriculture has been reorganized and its services consolidated along lines designed to improve the Standard and acceptability of Canadian farm products.

Arrangements are being completed for the inauguration of a national trans-Canada air service.

The National Employment Commission, the Royal Commission appointed to inquire into conditions in the Textile Industry, and the Commission appointed under the provisions of the Veterans' Assistance Commission Act, 1936, have concluded their duties. The reports of these Commissions will be tabled in due course.

The strains and stresses, which economic and social developments since Confederation have placed upon Canada's governmental structure, have disclosed the necessity for adjustments which will enable it the more effectively to serve provincial and national needs, and to promote and preserve Canadian unity. My Ministers are of the opinion that, with exact and adequate information, it should be possible for the appropriate authorities to work out satisfactory solutions. As a first step towards this end, a Royal Commission of Inquiry has been appointed to re-examine the economic and financial basis of Confederation and the distribution of legislative powers in the light of the new conditions which have arisen in the past seventy years. The Commission has already held sittings in many parts of the Dominion.

The co-operation of the Provinces has been sought with a view to an amendment of the British North America Act, which would empower the Parliament of Canada to enact forthwith a national scheme of unemployment insurance. My Ministers hope the proposal may meet with early approval, in order that unemployment insurance legislation may be enacted during the present session of Parliament.