

professors and full professors in Canada today would be \$6 million.

A deliberate and sustained effort should be made to raise the quality and standards of Canadian universities to equal the highest prevailing anywhere in the world. It is perhaps not going too far to suggest that no other single course of action would be so likely to have such an important and fundamental effect upon the long-term economic prospects for Canada. In this connection it is submitted that no Government which bears any share of responsibility for the future economic development of the country can allow a solution of the financial problems of the universities to go by default.

Some limited measure of assistance might be given to the universities by appropriate amendments to the Income Tax Act and the Succession Duty Act.

Conclusion

The various assumptions on which the forecasts and estimates of the Commission are predicated and the various trends which have been identified will be discussed much more fully in the Commission's final report. Other subjects which will be reviewed in the final report will include:

- (a) The difficulties which caused the rate of economic development in some parts of Canada to be slower than in others.
- (b) The important role which Government policies can play in stimulating and maintaining a high level of employment, as well as the limitations of such policies.
- (c) The effectiveness and the limitations of Government policies designed to control inflation.
- (d) The probable long-term trend in our international trading accounts and balance of payments.

It should be stressed that the very considerable economic expansion which is forecast for the next 25 years is contingent on the assumptions which are set forth in the introduction to the preliminary report. The key assumption must be that a global war will be avoided. If this can be accomplished and if the other assumptions are substantiated by events, there should be a remarkable increase in living standards and in the levels of per capita net disposable income of Canadians over the period of the next 25 years.

RP/A

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