

During the year production reached the highest level in Canada's history. About half of the total has been devoted to war purposes. Farmers and fishermen have splendidly maintained the production of foodstuffs. No less devoted service has been given by those engaged in lumbering, mining, transportation and all branches of manufacture and distribution. Despite inevitable shortages, essential manpower needs of the armed forces, of industry, and of agriculture have been filled by voluntary methods and by national selective service. This has been facilitated by the patriotism and the skill of the vast majority of workers, both men and women, and by the co-operation of the provinces, local authorities and voluntary organizations.

When Parliament adjourned in July, a measure had been enacted to provide for the establishment of a national council to promote physical fitness. Unemployment insurance had been extended to additional groups of workers, and provision had been made for an increase in the amount of old age pensions. Provision was also made for the collection of income taxes on a current basis.

In the session just concluded, careful study was given by select committees of both Houses to the problem of full employment after the war and, in particular, to the establishment in useful and remunerative employment of the men and women of our armed forces and in war industries. Careful study was similarly given by select committees on social security to the most practicable measures of social insurance, and the steps which would be required to ensure their inclusion in a national plan which itself would include the establishment of a nationwide system of health insurance. My ministers have given close attention to the recommendations of the select committees and to other investigations in the fields of post-war reconstruction and social security.

During the course of the year, the price ceiling has been splendidly maintained. My ministers have reaffirmed their determination to do all in their power to prevent inflation and to safeguard a basic standard of living. To this end the Wartime Wages Control Order has been simplified and strengthened. It will continue to be administered by the National War Labour Board. Consultation is proceeding with the several provinces regarding the enactment of a comprehensive code of labour relations which will be administered by a wartime labour relations board, and which will include the principle of compulsory collective bargaining.

Recognition of Canada's growing stature in international affairs has found expression in the expansion of our diplomatic and consular services, and in the agreements to raise Canada's missions to the United States, the Soviet Union, China, Brazil and Belgium, as well as the legations of these countries in Canada, to the status of embassies. Direct relations have been established with the French Committee of National Liberation. A Canadian representative with the personal rank of ambassador now represents Canada at Algiers. The year has also witnessed increased representation of Canada at international conferences and on international boards concerned with wartime and post-war problems.

In the month of August, the Government was host to the President of the United States and the Prime Minister of Great Britain and their advisers at a conference at Quebec. The Quebec Conference, like the earlier conference at Washington and the later conferences at Cairo and Teheran, was one of the milestones in the strategic planning of the war. Following the conference at Quebec, Ottawa was honoured by a visit of the President. It was the first occasion on which a President of the United States has visited the capital of Canada.

Members of the House of Commons:

I thank you for the financial appropriations you have made for the prosecution of the war. Their magnitude is again without precedent.

I am pleased that you made special provision for the appointment of parliamentary assistants to ministers of the Crown. I am glad that the hopes entertained of this development in the organization of Parliament have been so fully realized.

Honourable Members of the Senate:

Members of the House of Commons:

You will have been deeply gratified that, despite the increased level of taxation, the fourth and fifth Victory Loans met with an unprecedented public response. Clearer evidence could not have been given of the determination of the Canadian people to do their utmost in the winning of the war.

In bringing the present session to a close, I join with you in humble thanks to God for His merciful providence and for the increasing hope vouchsafed to the United Nations throughout this year of war.