PAMPHLET **I** SPEAKERS' HANDBOOK

SUMMARY

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The Progressive Conservative Record

Social Justice is being provided to all Canadians—the aged, the blind, the disabled, the unemployed, the veterans, the farmers, the small businessmen, and the provinces and municipalities.

Canada's economy is booming.

Our Trade with other countries continues to smash all previous records.

We are recovering trading markets lost by the Liberals.

We are rolling back the vast frontiers of our rich North.

But, this program has just begun. Much more is yet to come.

Here is the great record of the first five years.

HUMAN RIGHTS

The Prime Minister's eloquent defence of freedom at the United Nations has won him recognition as an "outstanding champion" of "freedom's cause" from the Assembly of Captive European Nations.

At the Commonwealth Prime Ministers' meeting, Canada's voice spoke out loud and strong against racial discrimination.

At home, John Diefenbaker has provided Canadians with their first Bill of Rights guaranteeing and protecting basic human rights and fundamental freedoms.

Immigration Act changes have wiped out all traces of the discrimination built up under the Liberals.

The right to vote has been extended to Canada's Indian Citizens.

A Canadian Indian, James Gladstone, has been appointed to the Senate of Canada.

THE ECONOMY

Canada's economy is booming. We have licked the Liberal recession. Production, income, savings, exports—are all soaring to record levels each year.

We have licked inflation.

Between 1945-57 the Canadian dollar dropped by 38 cents—more than 3 cents a year. In the last four years, the rate has averaged about 1 cent a year and is currently running lower than that.

The total value of Canadian production has risen by 32% in five years under a Progressive Conservative government.

We have licked tight money.

We have lowered interest rates.

We have provided more loans to home owners, to farmers, to fishermen, to veterans and to businessmen.

We have provided more grants to the provinces, to the municipalities, to the universities.

TRADE

Our trade with other countries continues to set new records each year.

Aggressive trade policies are opening up new markets for Canadian goods ranging from wheat to diesel locomotives.

Five years ago, under the Liberals, Canada was buying \$713 million more than it was selling. A Progressive Conservative government slashed that trade deficit and replaced it with surpluses in 1961 and 1962.

HOUSING AND PUBLIC WORKS

Today, 20 times more money is available for housing loans.

Loans are more readily available.

Interest rates are lower.

Down payments are lower.

Repayment periods are longer.

As a result, more Canadians own their own homes, the housing industry is once again thriving and the entire economy is healthier. The Winter Works program begun only four winters ago has already provided more than 700,000 new winter jobs.

For the first time, long term, low interest loans are available to universities to build student residences.

The greatest ports and harbours development program in history is underway.

18 modern new airports have been completed or are under construction.

New power projects — The South Saskatchewan Dam in the West and the Beechwood Project in New Brunswick — are opening new economic opportunities.

The Liberals had the answer when they were asked to build the South Saskatchewan Dam — NO!

The Liberals had the answer when the Province of New Brunswick approached them for a Federal Loan for the Beechwood Project — NO!

An interprovincial power grid is now providing low cost power in New Brunswick and Nova Scotia.

EMPLOYMENT

More than 630,000 Canadians are employed compared to the last year under the Liberals.

Labour income is up nearly 30% since 1956.

Progressive Conservative government action has kept unemployment at a percentage lower than that in the United States.

Winter Works, Housing loans, public works, and other projects have effectively checked unemployment in the short run.

Vocational training programs, incentives to industry, and regional development projects are imaginative long term measures which will push production and employment to still higher levels.

PRIVATE ENTERPRISE

The Progressive Conservative government has restored the principle of competition to broadcasting and air transportation. The Progressive Conservative government has ended the CBC and TCA monopolies.

Progressive Conservative tax incentives are encouraging industrial expansion.

Progressive Conservative measures are encouraging Canadian ownership of Canadian resources.

For the first time loans of up to \$25,000 are available to Canada's small businessmen.

The lending resources of the Industrial Development Bank have been more than doubled and loans have been made available to every category of Canadian Business.

A National Productivity Council, a National Energy Board, a National Oil Policy, Trade Promotion conferences, Trade Fairs — these testify to a new spirit of cooperation between government and private enterprise.

Income and corporation taxes have been lowered. 85% of Canadians pay less in income taxes now than in 1957. 20% of Canadian corporations pay less income tax now than they did in 1957.

SOCIAL JUSTICE

Old age pensions and old age assistance payments have been increased from \$46.00 a month to \$65.00 a month.

When the Liberals were asked to raise old age pensions in 1956, they had the answer-NO!

For the first time, a Progressive Conservative government has made "portable" old age pensions available.

Blind and disability allowances have been increased from \$46.00 a month to \$65.00 a month.

Direct payments to Canada's veterans have been more than doubled.

38 years ago, and every year up to 1957, the Liberals had the answer for Hospital Insurance —NO!

Hospital Insurance was introduced during the first year of Progressive Conservative government in office.

Unemployment insurance benefits have been increased and the benefits period expanded from 36 to 52 weeks.

For the first time, fishermen and certain other seasonal workers have been made eligible to receive unemployment insurance.

Unemployment assistance payments, denied to almost 12 million Canadians by restrictive Liberal legislation, is now available on an equal basis to all Canadians.

Total Social Justice payments are up 85%.

PARLIAMENT

The Progressive Conservative government has restored the dignity and the rights and privileges of a degraded Parliament.

For the first time, debates are translated simultaneously into French and English in the House of Commons.

Closure is being abolished.

A French-Canadian, His Excellency Georges Vanier, has been appointed Governor-General of Canada.

Redistribution of constituency boundaries will be placed in the hands of a special nonpartisan Commission.

The system of Parliamentary Committees has been revived and their work has become an integral part of Parliament.

INTERNATIONAL AFFAIRS

Disarmament and World Peace are the goals of Canada's foreign policy.

Howard Green's work in the cause of peace

at the United Nations and elsewhere has won for Canada the admiration and respect of the free world and brings new hope to enslaved peoples.

Prime Minister John Diefenbaker's proposal of a World Food Bank has received final approval by the United Nations.

Canada's foreign aid contributions to the Colombo Plan and United Nations agencies have been increased.

THE PROVINCES

The constitutional rights of the Provinces to levy their own taxes is being restored.

\$100 million has been provided in special Atlantic Provinces grants. Another \$175 million is ear-marked.

For the first time, long-term, low-interest loans are available to Canada's municipalities for anti-pollution measures.

For the first time, an independent Department of Forestry has been created.

Discussion of a National power grid is underway.

Long range urban renewal projects and the Agricultural Rehabilitation and Development Act will ensure progressive development of both city areas and agricultural communities.

The Provinces' share of income tax collections has been increased from 10% to 13% and in the next five years will be increased to 20%.

THE NORTH

More than 4,200 miles of Roads to Resources and another 2,200 miles of access and development roads are opening up Canada's rich Northland.

More than 900 miles of rail lines are pushing into rich areas of Northern Quebec, Northern Manitoba, the Gaspe Peninsula and Northern Alberta. A Resources for Tomorrow conference explored new means of conserving and managing Canada's resources.

Research is being stepped up in resource development and living conditions in the North.

The Result:

Large oil and mineral deposits have been uncovered.

Exploration expenditures by private enterprise in the past four years have almost tripled.

Northern acreage under exploration by private enterprise has increased almost ten times in the last two years.

Canada's tourist revenue is at an all time record high.

THE NATION'S FARMS

ARDA — Agricultural Rehabilitation and Development Act — is the first comprehensive and long range plan for rural development in Canadian history.

Aggressive salesmanship has opened up new markets for Canadian wheat, and made Canada the No. 1 wheat seller for cash in the world. At a time when the United States is adding to its wheat surplus, Canada lowered its wheat surplus 42%.

The Liberals had the answer for new wheat markets — "if they want to buy our wheat, let them come and get it!"

Expanded farm credit and increased farm improvement loans are providing encouragement and economic independence to young farmers.

Price supports apply now to 23 agricultural products — more than ever before.

For the first time a National crop insurance program is in effect.

For the first time, acreage payments of more than \$120 million have been made to Canadian farmers.

For the first time, cash advances on farm stored grain are available.

The Liberals had the answer for cash advances — NO!

Quick Progressive Conservative action assisted the Provinces in times of drought and early snowfall.

In 1962, farm cash income reached an all time record high of more than \$3 billion.

THE FUTURE

A good Government builds a strong foundation for the future. The Progressive Conservative government has taken long range steps to build a strong economy, responsible citizens, and a proud Canadianism.

Grants to universities are increased.

Vocational training schools provide a long range safeguard against unemployment.

A \$5 million annual grant for amateur athletics will improve the physical fitness of the Nation.

Government has acted against racial and religious discrimination and seeks to preserve Canada's multi-cultural character.

Tax concessions and small business loans are encouraging new Canadian businesses. Other measures are increasing Canadian control of the economy.

Canada's provinces and municipalities are enjoying greater economic independence.

Long neglected national development is striding forward.

New public works — airports, harbours, dams, schools — are fortifying the economy on regional and local levels. Discussion has begun on extensive forestry and power operations.

The door to the North has been opened. But its potential is virtually untapped.

ARDA will open a new era in rural Canada.

New markets have been found for the goods Canadians produce, and our trading interests are being protected by firm government action.

The National Energy Board, the National Productivity Council, the National Oil Policy guarantee resource development which will keep Canada strong and independent.

Published By The Progressive Conservative Party of Canada



AGRICULTURE

In 1958, The Progressive Conservative Party promised that Canada's farmers would receive a "fair share of the national income."

In 1962, farm cash income totalled more than \$3 billion — an all-time record high.

Federal payments to agriculture are 95% higher than under the Liberals. From 1953-57, they totalled \$363 million. In the Progressive Conservative years — \$706.8 million.

But statistics tell only part of the record.

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1963 No previous Canadian government has paid so much attention to the requests and sugros. Oxform organizations. And no previous government v.2 has shown so much imagination and initiative in both its immediate farm legislation and its long-range policies.

Price Supports

Today, 23 agricultural products are supported — more than ever before. And the farmer knows, twelve months in advance, what the guaranteed yearly price will be for certain farm commodities.

Nine key products — wheat, oats and barley (outside the Wheat Board area), cattle, sheep, hogs, butter, eggs and cheese — have mandatory price supports, based on a ten-year average.

Prices are at least 80% of that average. Usually they're higher because production costs and market potential are considered when the support price is established.

Fourteen other agricultural commodities are also supported, under a Conservative government.

The Progressive Conservative Government has shifted support prices to the deficiency payment method on a limited volume of production. The previous Liberal purchase method piled up unmanageable surpluses and kept prices down at a floor level.

Action by the Progressive Conservative Government has brought production in line with demand. There has been a gradual and welcome strengthening of prices.

In five Conservative years, price support payments totalled over \$234 million. In 12 Liberals years, the total was just over \$100 million.

The success of the Progressive Conservative program is obvious. In most cases, Canadian farmers receive the highest prices in the world.

Farm Credit

A new Farm Credit Act is in force.

Under the Liberals, the maximum loan available to farmers was \$15,000. Under the Conservatives, \$20,000. And, when the value of livestock and equipment helps determine the size of the loan, \$27,500.

The maximum level of loans is raised to 75 per cent of the appraised value of land and buildings. Under the Liberals, it was only 65 per cent.

The Conservative government recognized that the old credit arrangements were insufficient in the face of rising farm costs. Determined to encourage the modernization of Canada's farms, the government introduced the new Farm Credit Act.

This same Act provides special supervised loans for farmers between the ages 21 and 45. These loans—the first of their kind in history —enable young persons to stay on the land.

Interest on all Farm Credit Act loans is fixed at 5%.

So far, under this Conservative legislation farmers have borrowed \$297 million. In 22 Liberal years, the total amount of farm loans was only \$110 million.

Wheat Sales

Aggressive salesmanship has opened new markets for Canadian wheat in China and elsewhere.

Our share of commercial world wheat markets has risen from 30% to 35% under a Conservative government. We sell more wheat for cash in world markets than any other country.

Through donations and long-term loans, the government has, since 1957, provided for the export of 65.7 million bushels of wheat and flour to Colombo Plan nations.

In the same period, exports credit insurance

was provided on 31.7 million bushels of wheat to a value of \$70.7 million.

Rural Development

A comprehensive long-range policy of rural development is launched under the Agricultural Rehabilitation and Development Act— ARDA.

Hailed as North America's most imaginative farm policy in years, ARDA is a long-term program to ensure the economic health of agriculture. Its immediate aim is a better standard of living for farmers on small farms. The program will operate in three ways:

- *By encouraging alternative uses for marginal land. Suggested alternatives—permanent pastureland, tree farming, recreational development. Profitable development of low-income farmland offers new economic hope to Canada's marginal farmers.
- *By assisting local groups in the development of new income opportunities for their areas.
- *By widespread encouragement of soil and water conservation.

Such a long-term program of agricultural rehabilitation has long been advocated by Canadian farmers. Only under a Progressive Conservative government did it come into being.

Farm Improvement Loans

The maximum loan available for farm improvement has been raised from \$5,000 to \$7,500 by a Progressive Conservative Government. A total of \$300 million was made available to the fund. When demand exceeded supply, the Progressive Conservative government increased that total by an additional \$100 million.

More loans are being granted. Millions of Federal dollars are each year contributing to the upkeep and modernization of private farms across Canada.

National Crop Insurance

For the first time in history, a national Crop Insurance program is in effect.

In 1959, after an extensive study of crop insurance schemes in other countries, Canada's first National Crop Insurance legislation was passed.

The Progressive Conservative Government will pay to the provinces:

- 1) 50% of administrative expenses;
- 2) 20% of premiums;
- 3) A loan of 75% of the amounts required to meet losses in excess of premium receipts.

Since this legislation was passed, three provinces have passed enabling legislation and now have active Crop Insurance schemes.

Cash Advances on Grain

The Progressive Conservative government allows farmers to draw cash advances on farm stored grain.

Time and time again, such advances were refused by the former Liberal government.

Cash advances give farmers money when they need it most.

Acreage Payments

For the first time, Western farmers have received acreage payments.

In 1958, the Progressive Conservative Government paid \$40.6 million - \$1.00 an acre up to 200 acres.

The total in 1960—\$40.4 million. In 1962 another \$42 million.

Emergency Assistance

Quick government action has countered the effect of unexpected snowfall and drought.

More than \$6.2 million in unharvested crop assistance was extended to farmers struck by early and abnormal snowfalls.

A Conservative government provided 50% of the costs of paying up to \$3.00 an acre to a maximum of 200 acres, for unthreshed grain and flax crops.

Half the cost of providing relief to special crop growers—to a maximum of \$600—was borne by the Federal government. As was 50% of the cost of moving fodder into areas where shortage existed.

Drought on the Prairies and in Nova Scotia has been met:

- 1) by Federal relief in the form of assistance in moving equipment, fodder, and livestock;
- 2) by special payments; and
- in the maintenance of cattle in community pastures.

Increased Compensation

Increased compensation is available to Canadian farmers for cattle slaughtered in the control of tuberculosis and brucellosis.

Maximum compensation for purebred cattle was increased by 40%—from \$100.00 to \$140.00.

For other grades of cattle by 75%—from \$40.00 to a new maximum of \$70.00.

The Progressive Conservative Government has also introduced a program for the control of Johne's disease in cattle. Provision has been made to compensate owners for animals which have died as a result of rabies.

Prairie Farm Rehabilitation

Expenditures under The Prairie Farm Rehabilitation Act—a program launched by a previous Progressive Conservative government —have totalled \$110 million.

The development of dugouts, stock watering dams, small irrigation schemes, and community water storage projects now moves forward at a new pace. Pasturage, under the community pasture program, has been expanded by ¹/₄ of a million acres by this government.

The government has launched special measures to feed additional livestock in these community pastures during periods of extreme drought.

Prairie Farm Assistance

A Progressive Conservative amendment to the Prairie Farm Assistance Act broadens benefits to ten or fifteen per cent more Canadian farmers.

In the first five Conservative years, PFAA payments totalled \$127 million.

Additional disbursements were made to aid farmers whose crops were snowed-under.

South Saskatchewan Dam

The South Saskatchewan River Dam and Power Project—perennially promised and perennially shelved by the Liberals—is now under construction.

Completion date: 1965.

Some \$50 million in contracts have so far been let, and in the summer of last year, 1,130 men were employed on the project. This new multi-purpose water conservation project will bring new opportunities to farm lands previously subject to drought. In addition, it will attract new industry to Saskatchewan thereby helping to balance the economy of that province.

Maritime Marshland Rehabilitation

More than \$7 million of the \$18.6 million paid in the 14 year history of the Maritime Marshland Rehabilitation Act has been extended by the present Progressive Conservative government.

Many miles of dykes have been rebuilt.

Many small projects affecting marshland areas have been completed.

And two large dams—protecting about 22,000 acres and serving as highway bridges —have been built on the Tantramar and Annapolis Rivers.

Wheat Board and Grain Commissioners

The Wheat Board and the Board of Grain Commissioners have been placed under the Minister of Agriculture. Previously, both Boards were responsible to the minister of Trade and Commerce. The transfer was recommended by Canadian farm organizations.

Now, all government agricultural policies are the direct responsibility of The Minister of Agriculture.

Freight Assistance on Western Feed Grains

In the past five years, the Progressive Conservative Government has paid \$116 million in freight assistance to move feed grains and mill feeds from Western Canada to Eastern Canada and British Columbia. In the last five years of the Liberal Administration, only \$69.5 million was spent in this form of assistance.

Under this policy a large portion of the transportation costs are borne by the Government to the advantage of Western grain growers in selling feed grains, and to Eastern and British Columbia livestock producers.

Lime Assistance Policy

The Progressive Conservative Government has increased contributions under its Lime Assistance Policy by 220%.

In the last four years, under a Progressive Conservative Government, contributions were \$4.4 million compared to \$2 million in the final four years of the Liberal Administration.

Anti-Dumping

The Conservative government anti-dumping legislation guarantees that the value of imported goods shall not be less than the cost of production plus a reasonable allowance for selling costs and profits.

Thus has the government countered the dumping of foreign produce, such as turkeys, on the Canadian market at a low cost price.



CITIZENSHIP AND IMMIGRATION

^{への、000つ} CITIZENSHIP AND IMMIGRATION √,3 Indian Affairs

The right to vote has been granted to all Canadian Indians.

Prior to July 1960, 20,000 Indians enjoyed the franchise. These included war veterans, their wives, and Indians not living on reserves. By virtue of action taken on July 1st, 1960, an additional 60,000 Indians were extended the right to vote.

First Indian Senator

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For the first time, under a Progressive Conservative Government, a Canadian Indian has been appointed to the Senate.

James Gladstone, Canada's first Indian Senator, was appointed in February, 1958.

Indian Affairs Committee

A joint Senate-House of Commons Committee on Indian Affairs was appointed in May 1959. This Committee, under the chairmanship of Senator Gladstone has completed a comprehensive three-year study of Indian Affairs and the social and economic status of Canada's Indians.

By a 1961 amendment, compulsory enfranchisement provisions of the Indian Act, which had been objected to by virtually all Canadian Indians, were removed. This implemented a promise made to the Indians earlier by the Minister of Citizenship and Immigration.

Band Membership

For the first time, persons registered as Indians and their descendants will not lose Indian status because they or their ancestors received half-breed lands or scrip money.

Record Housing Continues

Construction of houses in Indian communities in 1961-62 continued at a very high rate. A total of 1,225 new houses were completed and another 247 houses were started. These houses are being financed from public funds and by contributions from Indians in the form of labour, cash, materials, Band funds and Veterans' Land Act Grants.

Increased Housing, School and Road Construction

The Progressive Conservative Government has more than doubled the amount of money being spent for schools, housing, roads, and irrigation projects in Indian communities.

A total of \$23.7 million was spent on new school construction compared to \$12.2 million under the Liberals — an increase of 94%.

A total of \$7.3 million was spent on housing compared to \$3.7 million under the Liberals an increase of 98.8%.

A total of \$4 million was spent on buildings, roads, bridges and irrigation compared to \$1.8 million under the Liberals — an increase of 132.7%.

World Refugee Year

From the beginning of World Refugee Year to 1961, the Progressive Conservative Government accepted 6,301 refugees. Included in that number were 325 tubercular refugees and 501 members of their families who were brought to this country as a special world refugee project under the sponsorship of the Federal Government in cooperation with the Provincial authorities who arranged for the treatment of those with tuberculosis.

Other special measures included, in addition to the continuing refugee program, a selection of special groups from refugee camps in Italy and Germany, enlargement of the provisions to permit individuals, groups, or agencies in Canada to sponsor refugees, including the ill or disabled. More than 700 refugees have come to Canada under private sponsorship and these provisions have been extended indefinitely.

Refugee Children

A policy to admit orphaned refugee children for adoption by Canadian residents was announced in July 1960 by Prime Minister Diefenbaker. This policy provided for applications for adoptions to be approved by the Provincial Governments.

Citizenship

Sweeping changes have been made in Canada's immigration laws brushing aside the bias and discrimination that had built up under the previous Liberal Government.

Under the new regulations, immigrants will be considered for admission if they have the education, training and skills to fit into our social and economic life.

The Windsor Daily Star found the "Nation's image enhanced" by the removal of the discrimination by color and race.

The Progressive Conservative Government acted swiftly to remove discriminations against naturalized Canadian citizens.

The six causes for loss of citizenship were reduced to two—treason and obtaining citizenship by fraud.

In the past four years, the Progressive Conservative Government has established six Canadian Citizenship Courts, bringing to eight the number of courts under its jurisdiction. The courts are situated at Moncton, Montreal, Toronto, Hamilton, London, Winnipeg, Edmonton and Vancouver.

PAMPHLET



FINANCE

The Progressive Conservative Government has led the Canadian economy to new heights of production and income.

Ahead lies continued growth — the result of the Government's expansionist economic policies.

In its tax and financial policies, the Progressive Conservative government pursues flexible measures, designed to stimulate economic activity, employment and income.

The Government has not hesitated to incur a budgetary deficit when such a deficit is necessary to offset economic pause and to encourage expansion.

The Government's goal remains the achievement of a greater prosperity for a greater number of Canadians. Yet in seeking material advancement, the Government has not neglected social betterment.

Federal Contributions

Federal contributions to the provinces have increased by 160% in six years of Progressive Conservative Government — from \$689 million in 1956-57 to \$1.8 billion in 1962-63.

In its first year in office, The Progressive Conservative Government increased total grants 21.4%; in its second year 50.5%; in its

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100, 0005third year 83%; in its fourth year 93.3%; in its fifth year 123.8%; in its sixth year 160%.

V. 4 And yet more than 85% of Canadian taxpayers pay less in personal tax than they did under the Liberals.

Conditional Payments

Conditional payments—to a griculture, health, hospital insurance, welfare, vocational training, highways and transportation, resource development, winter works—are up more than 575%.

In 1962-63 conditional grants were \$749 million compared to \$111 million in 1956-57.

Aid to Universities

Federal grants to universities increased in 1962-63 by 130% compared to the last year under the Liberals-\$36.9 million in 1962-63 compared to \$16 million in 1956-57.

Payments to Municipalities

Federal payments to municipalities have increased in 1962-63 by 572% compared to the last year under the Liberals-\$65.2 million in 1962-63 compared to \$9.7 million in 1956-57.

Growth

Gross National Product has increased from \$30.6 billion in 1956 to \$40.3 billion in 1962 or by 32%. Personal income has increased 40% in the same period—from \$21.9 billion to \$30.5 billion.

Debt Management

Net Debt at March 31st, 1962, stood at 33% of Gross National Product, lower than in any other year in the last 40 years except another Conservative year—1957.

A purchase Fund is established, with an initial size of \$100 million, for the orderly retirement of Government debt.

The Nation's Business

New tax incentives — allowing rebates as high as 50 per cent on tax resulting from increased sales—will encourage the establishment and growth of Canadian processing and manufacturing industries. Thus is the development of secondary industry stimulated.

Tax deductions of 150 per cent are allowed on increased expenditure for scientific research, thereby expanding the research role of private enterprise.

Oil companies can now deduct pre-production expenses. This measure should result in greater Canadian investment in oil exploration and drilling.

Double depreciation for investment in new products has again been extended. This arrangement applies to industries establishing in areas of ebbing industrial activity, and to those developing products not previously manufactured in Canada.

A special allowance encourages re-equipment and modernization.

The automobile excise tax was first reduced by 25 per cent, and then completely done away with.

The exchange rate of the Canadian dollar was reduced, making Canada more competitive in both foreign and domestic markets, and thus spurring production, jobs and business opportunity generally.

The Government's policy of deficit financing provides an economic stimulus necessary at this stage in Canada's development. It is an expansionist policy, allowing all levels of Canadian business to meet the challenges of new and vigorous competition.

All types of Canadian business are now eligible for loans from the Industrial Development Bank, whose resources have been enlarged from \$150 million to \$400 million.

Special Conservative government loans to small business have, in a year of operation, put \$45.5 million in the hands of 5,200 small businessmen throughout the nation.

A Royal Commission, with the broadest authority to review all aspects of money, finance and credit and banking, will report before the decennial review of the Bank Act in 1964.

The Conservative government policy of economic expansion encourages and depends upon the initiative of individual Canadians. Only when individuals take advantage of these measures do they become fully effective.

Still More Stimulus

\$130 million in tax relief was provided in the Budget of 1962.

Sales tax exemptions were provided for several items used in the fishing and agricultural industries.

Sales tax exemptions for municipal purchases were broadened.

A tax incentive for increased production was introduced—based on profits from increased sales. Companies were granted cancellation of 50% of their tax on the first \$50,000 of income from increased sales and cancellation of 25% of the tax on any additional income arising from increased sales.

Taxes Reduced

In its first six months in office, the Progressive Conservative Government lowered taxes by \$178 million. Personal income tax was reduced for six out of every seven Canadians.

In its first twelve months in office, the Progressive Conservative Government lowered taxes by \$204 million.

Taxpayers with taxable incomes of \$3,000 or less were not affected by subsequent modest increases in personal income tax rates.

Even at an income level of \$7500, a married man with two children continues to pay less than he did under the previous Liberal Administration.

Tax on that part of Corporation Income between 20,000 and 35,000 which was at a rate of 47% in 1956 is now 21%.

Major Tax Reductions

Income tax exemptions for dependants were doubled. Deductions announced in the 1962 budget—raising deductions for dependants by \$150—removed 80,000 Canadians from the tax lists.

The sales tax was removed from a wide range of municipal purchases.

For the first time, University students are permitted to deduct tuition fees for income tax purposes. If the student's income, after deducting tuition fees, is less than \$950, the parent may claim the student as a dependant for income tax purposes.

The range of expenses which qualify as medical deductions has been enlarged and the maximum limits on medical deductions have been removed.

Exemptions for charitable donations by Corporations have been doubled.

Taxes on benefits paid to widows and dependent children are reduced.

Less Taxes Paid In Canada

Figures tabled in the British House of Commons in December, 1962, indicate that Canadians pay less federal and local taxes than France, Germany, Netherlands, United Kingdom, Italy, United States and Belgium.

Expressed as a percentage of total national production Canadians pay 24.4% of gross national product in federal and local taxes.

Figures for the countries listed above are:

	% Paid
Country	in Taxes
Belgium	26.5%
United States	30.5%
Italy	32.0%
United Kingdom	32.7%
Netherlands	34.5%
Germany	40.4%
France	40.8%

Dominion-Provincial Relations

The "take it or leave it" era of Liberal Administration in Dominion-Provincial Relations has vanished.

Federal contributions have increased 160% in five years under a Progressive Conservative Government.

In 1957, the Progressive Conservative Government increased the Provinces' share in personal income tax collections from 10% to 13%.

For the tax agreements which began April 1st, 1962, the Progressive Conservative Government proposed generous measures which will provide a considerable increase in the Provinces' share of personal income tax collections. By 1966, the Provinces' share will have increased by more than 40% above the present levels.

The Federal Government's decision to end the tax rental system, to restore in full the constitutional rights of the Provinces to levy their own taxes, and to withdraw progressively from the personal income tax field for the next five years so as to extend the provincial share from 13% to 20% will enable Federal taxes to be reduced by \$300 million per year effective January 1st, 1962.

Without increasing the overall level of taxes, the Provinces can, by the end of the five-year agreement, be assured of one-fifth of all personal income tax collection, more than onefifth of the Corporation income tax, and onehalf of the Estates tax.

An improved equalization formula will meet the problems of disparities in the field of Provincial revenues more completely and more realistically.

The proposals contain a built-in guarantee that no Province entitled to equalization would be worse off than under a continuation of the present formula and tax agreements. They also guarantee that no Province will receive less in total than it has received on the average in the final two years of the last agreement.

Federal Government borrowing is now confined to the short end of the market, thus making long-term loans more accessible to the Provinces, municipalities and business.

Atlantic Provinces Adjustment Grants

The Atlantic Provinces' adjustment grants, introduced by the Progressive Conservative Government in 1958, provide additional revenue totalling \$25 million a year to the four Atlantic Provinces. At March 31st, 1962, the Atlantic Provinces had received \$100 million.

These grants are now increased to \$35 million a year and will continue for a five-year period.

By March 31st, 1963, Newfoundland will have received \$44.5 million under the Terms of Union with Canada.

Prime Minister John Diefenbaker has pledged that Newfoundland will continue to receive \$8 million a year for five more years beginning April 1st, 1962.

Public Service Pensions

Public Service pensions are \$21 million higher after Progressive Conservative government action to base benefits on the best six, rather than the last ten, years of employment.

For the first time a \$500 death benefit is available at age 65 to employees or pensioners with five years continuous service.

Civil Service Act

The Progressive Conservative Government revised the Civil Service Act to improve all aspects of appointment, classification, tenure, rights and responsibilities of the Civil Service.

While reaffirming the merit system, this important new legislation provides for a broader degree of control over departmental organization by deputy heads and greater flexibility in recruitment and selection.

The Bill retains veterans' preference and extends provision for bilingual employment.

Surgical-Medical Insurance

In July, 1960 a new voluntary group insurance plan offered benefits to members of the Public Service of Canada and their dependents. The Government and subscribers share the cost of this service equally.

Two general adjustments of salary rates one in 1957 and another in 1960—provided a total increase of 22% in civil service salaries.

Also in 1960 the Progressive Conservative Government made provision for a continuous cycle of salary reviews and recommendations.

Fiscal Policy

The abiding goal of Government fiscal policy as stated by the Minister of Finance three years ago remains the primary objective today. He said "Our aim is to maintain a sustainable rate of growth in terms of employment, development of resources and a sound dollar, so that Canadians everywhere may find full expression for their enterprise, industry and aspirations as free men and women".

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FISHERIES

Fisheries Improvement Loans

The Fisheries Loans Act was amended in 1959 to broaden eligibility provisions.

This legislation provides credit for a period of up to 8 years to fishermen for financing vessels and equipment, construction of shore installations, and other improvements.

The total amount of loans available is \$20 million.

Shipbuilding Assistance

In 1961 the subsidy per gross ton was increased from \$165 to \$250. These shipbuilding grants were broadened to include all fishing vessels engaged in commercial fishing from Atlantic ports and having a minimum length of 45 feet up to a maximum size of 100 gross tons.

The program has been in operation for little more than a year and has resulted in a significant expansion of activity in shipyards. More than a dozen large trawlers have been or are being built under this program as well as a large number of draggers. AC901 A7 1963

n or This assistance enables many fishing companies and fishermen to acquire large modern

v.5 vessels to meet foreign competition on the fishing grounds. It also set in motion considerable activity in the shipyards of the Atlantic provinces, most of which now have a backlog of orders.

Since 1957 more than \$2 billion has been provided in subsidies.

Industrial Development

A significant step taken to encourage and expedite fisheries industrial development was the formation of the Industrial Development Section of the Federal Provincial Atlantic Fisheries Committee. There is now a free flow of technical information between the Department and the Atlantic Coast provinces on this subject.

Following demonstrations of Danish seining techniques, a high degree of success was achieved and the methods widely adopted by many fishermen on the Atlantic coast.

The development and introduction of trawling gear to the fisheries of Lake Erie has permitted a greater utilization of the previously inefficiently exploited smelt resource.

The program to introduce more efficient cod gill netting gear and techniques to the Atlantic coast has improved the economic status of many inshore fishermen. The program has also decreased the dependence of inshore fishermen on bait supplies.

The herring fishery of Newfoundland is being revived through the introduction of improved techniques. Instruction by highly skilled gear technologists and the introduction of modern fishing equipment has contributed to this revival.

The government has participated financially and in the working out of basic design considerations in many types of fishing craft including the first deep sea stern trawler to be built in Canada, the first fibre glass commercial fishing vessel to be built on the Atlantic coast and multi-purpose fishing vessels.

The continuous mechanized operation for the drying of salt cod fish was developed and demonstrated to industry. This equipment is considered to be the most highly mechanized fish drying system in use.

Design and development work to produce an effective method of keeping the cargoes of refrigerated road transport vehicles down to desirable temperatures was undertaken and the principles are now being applied by the trucking industry.

In order to encourage the development of a Canadian tuna fishery some west coast vessels were equipped with a new type of refrigeration system which enables them to participate in far distant tuna fishing operations without their catch suffering a decrease of quality during the long voyage. A start has been made on the development of a tuna fishery on the east coast.

Protection Service

Since 1957, the Progressive Conservative Government has provided almost \$4 million to build fisheries protection vessels for the Atlantic and Pacific fisheries.

Twenty-three new fisheries protection vessels have been commissioned in the last five years.

Lobster Fishery

Quebec, the Maritime Provinces and Newfoundland lobsters have the greatest landed value of any single fishery depending on one species. The catch is being maintained at the high value of 40 to 50 million pounds with an annual revenue to the fishermen of \$15 to \$18 million.

Salt Assistance Payments

In the past five years, \$3.7 million has been paid in salt assistance payments to individual fishermen processors, co-operatives and fish processors in the Atlantic provinces. This assistance is in the form of a rebate of 50% of the cost of salt used in producing salted fish products.

Special Assistance — Newfoundland Fishermen

Following a partial catch failure in certain regions of Newfoundland in 1961 arrangements were made for a Federal-Provincial Winter Works Program in fishing settlements to provide work, wages and minor improvements to local roads, bridges, and fishing facilities. Work was carried out in over 400 small fishing settlements. The Progressive Conservative government paid all costs for materials and 75% of the labour costs.

Community Stages — Newfoundland

Twenty-two Community stages—community processing facilities in isolated fishing communities—were built in Newfoundland at a cost of \$1 million.

For the most part, the labour and where possible materials, were secured locally.

Newfoundland Bait Service

In the past five years, almost \$2 million has been spent to provide frozen bait supplies to fishermen in isolated communities in Newfoundland. Bait is sold at below cost to encourage fall fishing and thus greater production and plant employment.

Research

In the past five years the Progressive Conservative Government has provided \$5.7 million for fisheries research stations, technical service buildings, fisheries laboratories, and research vessels. New installations were built at Vancouver, Nanaimo, Halifax, Senneville, P.Q., Ellerslie, P.E.I., St. Andrews, N.B., and St. John's, Nfld.

Research vessels were provided for the Arctic region, the West coast, (Nanaimo) and the East coast (St. Andrews, N.B.).

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HEALTH AND WELFARE

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HEALTH AND WELFARE

The Progressive Conservative Government has made the greatest advances in social justice in Canadian history.

Social justice means dedication on a continuing and practical basis, to the concept of fairness to each and fairness to all. It means that Governments have a responsibility to encourage the development of every part of Canada. It means that Governments have a responsibility to provide the climate for expansion and development.

It means too that Governments have a responsibility to bring about a higher standard of welfare for all Canadians, and in particular those who, because of age, disability, unemployment or other causes, would otherwise not enjoy a reasonable share of the good life.

The Progressive Conservative Government has made tremendous progress in righting the balance with individuals and provinces in social justice payments. Federal payments to provinces in 1962-63 were 630% higher than they were in 1956-57. Health and Welfare payments to individuals in 1962-63 were 72% higher than they were in the last year under the Liberals.

Every category of social justice — old age security, old age assistance, blind and disability allowances, unemployment assistance, hospital insurance, health grants — has been increased.

In five years, the Progressive Conservative Government has increased overall social justice benefits by 85%, ranging from a 32%increase in health grants to a 1000% increase in unemployment assistance.

Total social justice payments in 1961-62 were \$2.5 billion compared with \$1.3 billion in the last year under the Liberals—an increase of 79%.

Pensions Increased

Old age pensions have been increased from \$46 to \$65 per month.

Residence requirements were lowered from 20 to 10 years.

Recipients were permitted to take their pensions with them even when leaving Canada on a permanent basis. The only condition required, once the pension is actually being received, is residence in Canada for 25 years after the 21st birthday.

Senior citizens who do not meet the 25year residence requirements may live outside Canada for 8 months less 2 days without loss of pension benefits.

Under the Liberal Administration, senior citizens were permitted temporary absences of only 5 months less 2 days but monthly pension cheques were held in Canada until the person's return.

For the first time, under a Progressive Conservative Government, monthly cheques are mailed directly to the recipient no matter where he is residing.

Old Age Assistance Increased

Old Age Assistance payments have been increased from \$46 to \$65 per month.

Residence requirements were lowered from 20 to 10 years.

Income ceilings for single and married recipients have been increased by 14% and 17% respectively.

Blind and Disability Allowances

Blind and disability allowances have been increased from a maximum of \$46 to \$65 per month.

Income ceilings for all categories of blind allowances have been increased from 8% to 14%, depending on the category.

Income ceilings for all categories of disability allowances have been increased by 15%.

Hospital Insurance

Hospital insurance had been promised by the Liberals for 38 years. It was not brought into effect until a Progressive Conservative Government entered office in 1957. Previous Liberal Administrations insisted that six provinces must enter the program before Federal contributions would begin. This clause was eliminated by the Progressive Conservative Government enabling five provinces to begin the program July 1st, 1958.

At present, all provinces and both territories are participating. On January 1st, 1961, when the Province of Quebec entered the program, every man, woman and child in Canada had hospital insurance and diagnostic services coverage available to them.

Unemployment Assistance

For the first time, Canadians from ten Provinces and both Territories may now benefit from unemployment assistance benefits.

Four years ago under the Liberals, only the people from six Provinces benefited. Residents of Alberta, Ontario, Quebec, Nova Scotia and the Territories were not eligible to receive unemployment assistance benefits. In other words, almost 12 million people—%rds of the population of Canada were not entitled to Social Justice from the Liberal Government.

Under the Progressive Conservative Government, the scope of assistance has been broadened. Four years ago, under the Liberals, the Federal contribution was 50% only of that proportion of Provincial-Municipal expenditures above a coverage level of .45% of Provincial populations. In 1961, under a Progressive Conservative Government, the contribution was raised to 50% of all approved Provincial-municipal unemployment assistance expenditures.

In 1956-57 a meagre \$8 million was provided. In 1962-63, a Progressive Conservative Government has provided \$88 million to the provinces to assist them — an increase of 1000%.

National Health Grants

General public health grants have been increased from \$7.8 million to \$14.3 million—up 83%.

Mental health grants have been increased from \$7.2 million to \$8.8 million-up 22%.

Medical rehabilitation grants have been increased from \$1 million to \$2.6 million—up 160%.

Professional training grants have been increased from \$516,000. to \$1.8 million—up 245%.

Public health research grants have been increased from \$512,000. to \$1.8 million-up 247%.

Indian and Northern Health Services

Indian and Northern health services contributions have been increased by 22.3%—\$18.8 million in the last year under the Liberals compared to \$23 million in 1962-63 under a Progressive Conservative Government.

National Health Plan

A five-man Royal Commission to study Canadian health care needs, the adequacy of health services for prevention, diagnosis, treatment and rehabilitation was established by the Government.

Hospital Construction Grants

Hospital construction grants have increased by more than 82% under a Progressive Conservative Government.

In the last year of Liberal Administration, \$11 million was provided.

In 1962-63, the Progressive Conservative Government made \$20 million available.

Grants for active treatment beds have been doubled—from \$1000 to \$2000 per bed.

Grants for beds used in the treatment of chronic, mental, convalescent, and tuberculosis cases have been increased by 33%—from \$1500 to \$2000 per bed.

Grants for beds used in nurses' living quarters have been increased by 50%—from \$500 to \$750 per bed.

Under the Liberals grants were not available for beds in internes' residences. A Progressive Conservative Government has made grants of \$750 per bed available.

Under the Liberals grants were not available for the renovation of existing facilities. A Progressive Conservative Government is prepared to contribute up to one-third of the cost of renovating existing hospital facilities.

In order to avoid interruption in constructing urgently needed hospitals, the Progressive Conservative Government has recommended that Federal grants be continued for a further five-year period after the present period expires in March, 1963.

New Attack on Barbiturates

The Progressive Conservative Government has moved swiftly and forcefully to combat the growing menace presented by illegal traffic and use of barbiturates.

An amendment to the Food and Drug Act has been passed by Parliament providing for heavy penalties for trafficking in these substances as well as for tighter control of legal distribution. Widely acclaimed across Canada, this new measure has been described by the Mayor of Montreal as "the most advanced legislation of its kind in the world".

Narcotic Control

The Progressive Conservative Government has introduced far-reaching changes in Canada's efforts to reduce narcotic addiction. Penalties for dealing in narcotics have been lengthened from a maximum of 14 years to imprisonment for life.

For the first time, addicts will be afforded opportunities for treatment and rehabilitation in special Federal institutions to be set up by the Department of Justice. To help ensure a satisfactory return to society, addicts will, on release from these institutions, come under direct supervision of the National Parole Board.

"Canada's Health and Welfare balance sheet is encouraging. Certainly it is a good deal brighter today than it was several years ago. We still have important liabilities but the overall balance is clearly set toward a fuller measure of social justice for every Canadian. Our aim must be to keep it tipping more and more in that direction."

> Hon. J. Waldo Monteith, Minister of National Health & Welfare.

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HOUSING AND PUBLIC WORKS

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Housing

In the last five years, more than 750,000 new homes have been built in Canada. A new dwelling unit—a home or apartment—has been completed virtually every minute of every working day since 1957. The Progressive Conservative government has done more to increase the supply of homes for Canadians than any other government in the history of Canada.

Under the Liberals, Canada's housing policy was characterized by neglect and indifference. The need for small homes for families in lower income groups was largely neglected. Direct lending was restricted to certain selected areas of the country. The Liberal government in 22 years of inaction voted a total of only \$250 million for direct National Housing Act loans to Canadian families for house building. Even then, the previous Government chose to ignore the mandate of their own parliament and saw fit to actually loan only \$100 million of the \$250 million allotted.

The Progressive Conservative government immediately released the additional \$150 million.

A few months later, the total amount was increased to \$400 million.

Higher loans were approved and income qualifications were broadened.

In May, 1958, total mortgage funds were increased to \$750 million.

In March, 1959 to \$1 billion.

In March, 1960 to \$11/2 billion.

In September, 1961 to \$2 billion.

The total amount of loans which may be made by commercial lenders — insurance companies, banks and trust companies — was increased from \$4 billion to \$6 billion. These commercial lenders are able to make housing loans which are covered by Government of Canada guarantee. In return, these lenders must charge no more than the low National Housing Act interest rate.

Canada's ambitious home building program, encouraged at every step by the Progressive Conservative government, has maintained the stock of reasonably priced homes for an expanding population and has provided employment for more than a million and a half Canadians.

When the Liberal inspired recession of 1957-58 was conquered by aggressive housing policies and other measures some skeptics began to wonder whether Canada's housing policy might drift into a period of inactivity which characterized the Liberal government's policy towards housing.

The answer was a ringing and an emphatic NO!

The Minister of Public Works laid down the Progressive Conservative government's policy in no uncertain terms. He stated categorically in the House of Commons that "the government would not be reluctant to use Central Mortgage and Housing Corporation as a major lender when this does not interfere with the adoption of sound fiscal policy."

Down payments on new homes have been lowered by 5% — for example, by \$500 on a \$10,000 home.

The re-payment period for National Housing Act loans has been extended from 25 to 35 years.

The interest rate on loans has been reduced from $6\frac{3}{4}$ per cent to $6\frac{1}{2}$ per cent. On a thirtyyear \$10,000 loan this would result in savings of \$577.10 to the home owner; on a thirty-five year \$10,000 loan this results in savings of \$702.60 for the home owner. The interest rate for limited dividend housing has been lowered from 5% per cent to 5% per cent.

Home Improvement Loans

For the first time, home improvement loans have been made available to owners of rental properties including apartment buildings. Previously, improvement loans were available only to individual dwellings.

The amount of loans available has been increased from \$200 million to \$500 million.

Now, for the first time these facilities have been extended to apartments and other rental properties for alterations, interior and exterior decoration, plumbing, heating and electrical work. When you consider there are over $1\frac{1}{2}$ million rental units in Canada, the possibilities of putting people to work with low cost government guaranteed home improvement loans is tremendous.

Urban Re-development

The clearance of blighted areas in urban centres is a first principle of Progressive Conservative policy in housing. Progressive Conservative changes in legislation offer wider aids to urban redevelopment and public housing.

The Progressive Conservative government pays 75% of the cost of urban renewal studies, 75% of the cost of new subsidized housing, 75% of the cost of acquiring and rehabilitating existing housing.

Since the Progressive Conservative government entered office, it has contributed towards 44 studies in Canadian municipalities. Compare this with only 6 studies undertaken under the Liberal government. At the present time almost every major Canadian city has had the benefit of Federal assistance in this matter. After the urban renewal study is completed, each municipality may apply through the province for Federal assistance, to help pay for the cost of expropriating and clearing blighted areas.

In its five years in Office, the Progressive Conservative government has made an average contribution of almost \$3.5 million every year. Compare this with \$295,000 which was the average annual contribution of the Liberal government towards urban re-development, during their 22 years in office.

Public Housing

The Progressive Conservative government contributes 75% of the cost in subsidy for new low cost rental housing projects. The Progressive Conservative government has amended the National Housing Act to permit the Federal Government to pay 75% of the cost of acquiring and rehabilitating existing housing. This amendment encourages municipalities to adopt and enforce by-laws governing the maintenance and occupancy of their housing stock and thus prevent the rapid spread of blight. Since the Progressive Conservative Government entered office, almost 4,000 units had been provided for Canadians at an average expenditure of almost \$7 million a year over the five year period. Compare this with an average expenditure of only \$3.3 million per year under the Liberals.

In addition to public housing projects, approved under the National Housing Act, a total of 873 additional units were provided under special arrangements with the Nova Scotia and Prince Edward Island Housing Commissions. These 873 units were built cooperatively for home owners. The total cost of these units was \$5.4 million and the Federal share was slightly more than \$4 million.

Aid to Municipalities

Less than one-sixth of urban muicipalities have adequate sewage plants in operation. Possibly two-thirds of Canada's urban population are living in regions where seriously polluted surface waters are found.

For the first time, Progressive Conservative government has provided legislation to provide loans to municipalities for the construction of central sewage plants and trunk mains. The loan may be up to two-thirds of the total cost and is re-payable over a 50 year period. \$200 million has been set aside for this purpose. As added incentive to the municipalities, 25% of the Government loan will be written off when it is spent on work put in place by April 1st, 1965.

The Program has already met with tremendous success. A total of 356 different loans had been made to municipalities in all ten Canadian provinces. The total value of loans exceeds \$83 million. In addition inquiries have been received from almost 145 other municipalities and these loans are at the time of writing in various stages of processing. Total value is \$53 million.

Aid to Universities

For the first time, long-term low-cost loans to universities for the construction of student residences are available. These loans may be as high as 90 per cent of the total cost of the project and may be for as long as 50 years.

The Progressive Conservative government has already made 42 loans totalling more than \$41 million to universities to assist in the construction of living accommodation for resident students.

CMHC officials estimate this program has doubled university residence accommodation.

Winter Program

The Progressive Conservative government's policies in housing and public works have given new incentive to construction in periods when seasonal unemployment is highest.

The President of the Canadian Construc-

tion Association said on Monday, April 30th, 1962, that Canada leads the world in per capita volume of wintertime construction. Hugh R. Montgomery said in Saskatoon, "it is a matter of pride to the construction industry in this country that the wintertime construction volume in Canada is higher on a per capita basis than in any other country."

The Progressive Conservative government has given major emphasis to wintertime construction—through its housing policies, through its public works construction program, through its winter works program and through various other measures designed to provide a maximum amount of winter employment.

PUBLIC WORKS

Public Works Expenditures

ß	20	11-62	up 18.1%	up 26.7%	up 234.6%	up 77.7%	up 56 %
Total during	the years	1957-58 to 1961-62	456,800,000	193,200,000	304,500,000	48,000,000	 \$1,002,500,000
Total during	the years	1952-53 to 1956-57	\$386,600,000	152,500,000	91,000,000	27,000,000	\$639,100,000
			Building construction projects	Harbours and Rivers projects	Development Engineering:	Miscellaneous.	Total:

General Expansion

In five years the Department of Public Works has steadily expanded both its variety and volume of work. Necessary expenditures during the last five fiscal years totalled more than \$1 billion, a rise of 56% over total public works expenditures in the last half decade of Liberal rule.

Trans Canada Highway

The laying of pavement last summer in Glacier National Park filled the last gap in the Trans Canada Highway, and made coastto-coast travel on the Trans-Canada route possible for the first time.

The Conservative government has placed high priority on completion of the route, and in five years spent nearly \$240 million on the highway, more than double the amount spent by the Liberals since the Trans-Canada Highway Act was passed in late 1949. In 1960, the section skirting the north shore of Lake Superior was opened, and provided new stimulus to the tourist and other development of that area.

In 1960, Quebec agreed to participate in the project, which gave the Trans-Canada a truly national character.

The highway spans 4,859 miles, including 140 miles through National Parks. Some sections must still be brought up to full Trans-Canada standards, but completion of the Glacier Park gap made the whole route passable.

Other Road Building

The department of Public Works is building roads to the oil, mineral and other resource wealth of Canada's north. Since 1957-58, the Conservative government has spent \$27.5 million on the construction of roads and completion of surveys in the North.

The Northwest Territories center of Yellowknife has been provided with its first overland connection with the Provinces — a 281-mile road between Yellowknife and Enterprise. An extension of that road is now being pushed eastward from Yellowknife, to reach areas of resource wealth. The Mackenzie Highway, from Hay River to the Alberta boundary, will near completion this year, and another road will be started from Hay River to Fort Smith, via Pine Point.

Northern Towns

When, in 1955, authorities decided the Mackenzie River town of Aklavik could not expand, a new town-site was established 70 miles downstream. Construction of the new town, named Inuvik, began in earnest in 1957, and was pushed forward as part of the Progressive Conservative National Development Program. In 1960, Inuvik was completed, and is now an important center on the Mackenzie River, which is the main supply artery to DEW line stations, northern trading posts, mines and oil wells, and is the commuications lifeline of the Canadian northwest.

Last summer, \$12.5 million worth of work began on another new town site. The settlement of Frobisher Bay on Baffin Island now a medical, educational and vocational training center for Eskimo people—will be refurbished with a modern system of roads, sewers and waterworks; a new hospital; a school and hostel; a laundry and dry cleaning plant; and modern offices and apartment buildings. Completion date: late 1965.

Public Buildings

An average of 175 new public buildings have been constructed by the Progressive Conservative government in each of the last five years. Among the major structures are: \$1 million Ralston Building in Halifax; \$1.5 million Public Buildings in Saint John and Moncton; a \$3.5 million postal Terminal and a \$5 million Customs and Excise Building in Quebec; a \$9.5 million National Revenue Building in Montreal; a \$3 million postal terminal in London; the \$5 million Arthur Meighen Building in Toronto; a \$1 million Taxation Division building and a \$1.5 million Unemployment Insurance Commission Building in Winnipeg; a \$1.5 million Public Building in Saskatoon; a \$3 million postal terminal in Calgary; and a \$3 million Post Office building in Vancouver.

The National Capital

Some \$26.5 million has been spent on public buildings in downtown Ottawa — the Lorne Building, housing the National Art Gallery; the Geological Surveys Building; the Mines and Technical Surveys Administration Building and Chemical Laboratory; the Surveys and Mapping Building; and the Trade and Commerce Building.

Another \$14 million has been spent on the development of Confederation Heights, a complex of government administrative buildings on the south-skirts of the capital city. These include the headquarters for the Post Office, the new Sir Charles Tupper Building, and the Sir Leonard Tilley Building. To come: buildings for the departments of National Health and Welfare, Northern Affairs and National Resources, Forestry, Transport, and the Canadian Broadcasting Corporation.

Confederation Heights is a development honoring the Fathers of Confederation.

Transformation of the Parliament Hill area of downtown Ottawa has already begun. An \$8 million Mile of Living History will be constructed near the Parliament Buildings. The new \$12 million Macdonald-Cartier bridge will link Hull and Ottawa. Unsightly railway lines, which mar the beauty of the Parliament Hill area, will be relocated by 1965. A massive new 40-year program will replace a substantial low-income area of downtown Ottawa with gardens and parkland.

This long-range development program will make the Ottawa-Hull area one of the most beautiful national capitals in the world.

Winter Works

Whenever possible, public works have been undertaken in winter, in co-operation with the effective Progressive Conservative attack on seasonal unemployment by providing Winter works. Since 1958, for instance, 259 small standard-plan post offices have been built in winter.

Prince Edward Island Causeway

The Progressive Conservative Government will build a \$105 million causeway across the Northumberland Strait linking Prince Edward Island with New Brunswick for the first time. While this project had been talked about since Confederation, it was not until 1958 that the causeway proposal was first acted upon. Progressive Conservative Government approved a comprehensive engineering study. This study proved the causeway feasible. It will be built.

The causeway will replace the existing ferry service to Prince Edward Island. It is estimated that since 1913 this ferry service has cost the Federal Government approximately \$20 million to provide the ferries and terminal facilities. Since 1913 the Government has assumed the operating deficits for this service which from 1933 to 1960 alone totalled more than \$30 million. The deficit in operations for 1960 amounted to more than \$2.6 million and if the service were continued it is estimated that it would increase to some \$4 million a year within a few years.

Prince Edward Island can now look forward to the not too distant day when the causeway will provide increased capacity, convenience and commerce for the Island as well as a long term impetus to the Maritime economy as a whole.

Marine Construction

The complete reconstruction of a major portion of one of North America's oldest harbours. at St. John's. Newfoundland which has been underway for the past three years is scheduled for completion in 1963 at a total cost of nearly \$15 million. Planning is well advanced for additional terminals at North Sydney, Nova Scotia and Argentina. Newfoundland, to accommodate a new ferry service being inaugurated in cooperation with the Department of Transport. The cost of implementing this service including the ship and terminals will approximate \$15 million. It is expected that these improvements will prove a boon to trade in general throughout Newfoundland.

In Quebec, major improvements have been made to ports on the St. Lawrence River, which are intended to service and to encourage the tremendous industrial growth that is taking place in that region.

New general cargo facilities were completed at Seven Islands just a year ago at a cost of more than a million dollars.

The harbour at Baie Comeau has been greatly expanded. When completed the total expenditure, both private and public, at Baie Comeau is expected to be in excess of \$5 million.

At Point au Pere, a new $$3\frac{1}{2}$ million terminal is now ready for use and is the main south shore terminal for year round cross river traffic supplying the expanding north shore of Quebec.

A multi-million dollar oceanographic institute was built in Dartmouth, Nova Scotia.

A \$1½ million marine agency terminal was built at Charlottetown, Prince Edward Island.

Impressive marine projects have either been completed or are under way at a number of ports along the St. Lawrence seaway.

At Toronto, some 3,000 feet of additional Seaway berthage will be provided at a cost in excess of \$2 million and should be available for use no later than the 1963 shipping season.

In Hamilton harbour, three new terminals were completed at a cost of over \$6 million and planning is well advanced for a further multi-million dollar expansion of general cargo facilities. A sizeable new dock has been completed at Burlington Beach.

At the Lakehead, a new \$8½ million terminal was completed in 1962. The new facilities include ocean and lake shipping berths, storage sheds, terminal facilities and railway transfer yards. Among the most modern of its kind, the new terminal is strategically situated midway between Eastern and Western Canada at the head of the vast seaway system and will be an important link in the Nation's transportation network.

A new wharf, costing \$300,000 has been built at Cornwall, Ontario.

New ports facilities are underway at Port Credit, Ontario and should be completed this year at an approximate total cost of \$3 million.

Assembly wharves have been completely rebuilt and extended at Port Alberni and Nanaimo, British Columbia.

At Sidney, British Columbia, a new customs and immigration building was recently opened. At Prince Rupert, a new ferry terminal will be built to provide improved service to the Alaska Panhandle area.

National Park Roads

The Department of Public Works has reconstructed a number of primary highways within Canada's national parks. New routes through the Banff and Jasper National Parks, and along the Cabot Trail in Nova Scotia and the Gulf Shore Road in Prince Edward Island open new scenery to tourists and Canadian travellers.

Bridges

A number of multi-million dollar bridges have been completed by the Progressive Conservative government. A \$5 million structure between Campbellton, New Brunswick and Cross Point, Quebec was opened to traffic last year. The \$1 million international Roosevelt Memorial Bridge linking Campobello Island in New Brunswick and Lubec in Maine was opened; a \$5 million low-level bridge over the Burlington Canal, while construction will begin this year on the \$12 million Macdonald-Cartier bridge between Ottawa and Hull.



JUSTICE

More fundamental progress and reform has taken place in the general field of Justice under the present Progressive Conservative Government than in any other similar period in Canada's history.

Important and long-overdue steps have been taken.

Parole Board

For the first time, in 1959, a National Parole Board was established. Its membership consists of five well qualified Canadians, one of them a woman. The Parole Board has successfully embarked upon a policy designed to make increased use of parole as a release method AC901 A1 1**9**63

No.0055 while at the same time giving full consideration to the protection of the public. The Board operates on a selective system and does not grant releases on compassionate or other like grounds but only if an inmate shows sincere desire to re-enter society and live a useful law-abiding life.

The average failure rate of paroles of 6.7% related to the number of paroles granted is considered one of the lowest in the world.

The Board has made changes whereby an inmate qualifies for remission of his sentence by good conduct and industry. The remission of sentence operates as an incentive to the inmate to apply himself towards his own self-improvement.

These efforts, together with increased understanding on the part of the public, are making it possible to rehabilitate more offenders while at the same time providing considerable savings to the Canadian taxpayer.

Penitentiary Reform

The Progressive Conservative Government has acted to achieve two major steps forward in transforming Canada's penal system into an up-to-date and effective correctional program.

The Government has emphasized continuing the stress on treatment and training to provide the maximum possible assistance to every inmate interested in successfully re-entering society as a law-abiding citizen. New institutions of various types have been opened. The program of treatment and training within the walls of all institutions has been radically reformed.

At Collins Bay Penitentiary in Ontario and at the Federal Training Centre in Quebec, maximum security has given way to new and more effective methods of reform.

Four correctional work camps were opened near Petawawa, Gravenhurst in Ontario, Agassiz, B.C. and in the Quebec Gatineau Hills. These camps are providing minimum security accommodation for those inmates who can best benefit from this type of security and an active outdoor workday.

Also under construction are five new correctional farm camps located adjacent to the main institutions at Dorchester, N.B., St. Vincent de Paul, Quebec, Collins Bay, Ontario, Stony Mountain, Man. and Prince Albert, Sask. Other minimum security institutions now operating include William Head, near Victoria, B.C., Valleyfield, Quebec and Springhill, N.S.

Each of these institutions is an example of economic use of existing facilities which can be adapted at low cost for penitentiary purposes. The William Head Institution was formerly a quarantine hospital which was surplus to requirements; Valleyfield was formerly a small military camp and at Springhill, the institution has been constructed by using, for the most part, available huts acquired from the Department of National Defence.

At the present time, the Federal Penitentiary System consists of six maximum security institutions, four medium security, four minimum security camps, with five minimum security farm camps to be added soon.

The inmates working in these correctional work camps are carrying out improvement programs which the Government Departments are not prepared to undertake with privately employed labour for at least ten years. This work includes bush clearing, land drainage and the construction of nature trails and park sites.

Penitentiary Act

The first comprehensive revision of the Penitentiary Act since it was passed in 1883 was introduced in 1961. The Act now implements many recommendations of previous commissions and provides the legislative basis necessary to re-organize the Penitentiary's administration and to develop those aspects of the program recommended by the Correctional Planning Committee and approved by the Government. In particular, it provides for a full career-planning program which will be available to all staff in the Correctional System, an expanded program of industrial training with the cooperation and advice of Labour and Industry and much greater use of vocational and "on the job" training.

Narcotic Control

A new policy dealing with drug addiction has now been incorporated in the Narcotics Control Act. The new plan provides: (1) effective control of the distribution of narcotics for legitimate purposes; (2) effective enforcement of controlled measures, the detection and apprehension of law breakers and the custody and treatment of those convicted of offences.

The objects of the new Act are:

- (a) To reduce as far as possible the supply of drugs used for illegal purposes.
- (b) To reduce the demand for legal drugs by providing effective treatment for existing addicts.
- (c) By preventing the creation of new addicts and by providing effective penalties and custody for law breakers.

The program for the treatment of convicted addicts is administered by the Penitentiary Service. The first major step in the organization of an active treatment program is the construction of a Drug Treatment Centre in British Columbia near Vancouver. The purpose of the Centre is to provide the addict with institutional treatment to remedy his fundamental delinquency and to provide suitable supervision and guidance to assist him as much as possible to abstain from using drugs. A site has been acquired and plans for the Centre are now in preparation.

These comprehensive new measures are also aimed at drying up completely supplies of narcotics which are available for illegal purposes. The Act is designed:

- (1) To deter the would-be trafficker;
- (2) To punish the seller who may deal in small transactions and also the major distributor who may deal in a limited number of large transactions;
- (3) To assist the convicted trafficker to live in society upon his release;
- (4) To remove from society those persons who have demonstrated by their previous conduct that they are unlikely to refrain from trafficking.

The improved legislation is designed to diminish drug addiction in Canada, and if it succeeds, it will be of benefit to all Canadians, not only to the addict. To pay for drugs, addicts sometimes engage in a considerable amount of criminal activities such as theft and shop-lifting, which is costly to citizens of communities where addicts are found. Not only therefore will there be the social gain of reclaimed lives, but there should be a substantial lessening of both major and petty crime.

The Judiciary

In 1960 the Progressive Conservative Government carried through a reform of the Judiciary which had long been sought but long delayed. The Canadian Bar Association, leading jurists and other had for years been of the view that all judges in Canada, including those of Superior Courts in the Provinces, should retire at 75. Shortly after assuming office, the Minister of Justice initiated discussions with the Provinces, with the result that by 1959, unanimous consent had been received for the necessary amendment to the British North America Act. In 1960, measures were laid before Parliament and were adopted. This has resulted, for the first time, in the uniform retirement age for all federally-appointed judges in Canada. At the same time appropriate adjustments were made in pensions for retiring judges and their widows.

Royal Canadian Mounted Police

For the first time since 1894 provisions governing the organization and discipline of the Royal Canadian Mounted Police have been modernized and streamlined. This was accomplished by a complete revision of the R.C.M.P. Act and Regulations in 1960. At the same time, the R.C.M.P. Superannuation Act was revised so that pension provisions for members of the force are now separated from the administration, and other provisions now stand on a clear and satisfactory basis.

Several important new concepts were incorporated granting pensions as a matter of right, providing that disability as well as retirement pensions may be received where injury occurs while on duty and allowing a deferred annuity when a member retires prior to reaching pensionable length of service.

The restriction on the right of a member of the R.C.M.P. to marry until he has served for five years has been reduced to two years.

Administrative procedures have been improved. Advantage has been taken of seasonal incentives of the Government's overall construction program to speed the construction of detachment offices and quarters. Over 120 new detachment and headquarters buildings have, been completed since June 1957.

For the first time in history, the Minister of Justice has visited Royal Canadian Mounted Police detachments throughout the Northwest Territories. The Minister inspected detachments and subdivision headquarters in the Mackenzie River and Western Arctic areas in 1959 and in the Eastern Arctic in 1961.

Anti-Combines Legislation

Amendments to the Canadian anti-combines Legislation have brought it into greater conformity with public interest in the light of the economic situation of modern Canada. New amendments provide that business may engage in certain cooperative activities beneficial to the economy and serving the public interest. They also provide a means whereby small independent businesses may find protection against certain practices of their more powerful competitors. The revised Act prohibits misleading advertising.

One of the more important amendments allows exporters to take cooperative action to improve the competitive position of Canadian goods in export markets.

Amendments also provide that promotional allowances must be made available to large and small merchants alike.

Capital Murder

For the first time, substantial reform has been made in the law of murder.

An amendment introduced by the Minister of Justice in 1961 divides murder into two types — capital and non-capital. Under this new legislation, the death penalty will be attached only to murder of a planned and deliberate nature or to a murder committed in the course of a crime with the elements of deliberation or of stealth. In such cases only the person who committed the act resulting in death will be subject to the death penalty.

Other important new features in the Act provide for life sentences for convictions on a non-capital murder charge.

The slaying of a police or penitentiary officer in the discharge of his duty is capital murder. All other murder is non-capital and is subject to a penalty of life imprisonment.

Obscenity

Effective steps have been taken to provide a means to control obscene literature in Canada. This was accomplished by the new definition of obscenity introduced by the Progressive Conservative Government. The definition will provide an objective and workable test of obscenity under the Criminal Code.

Sex Offences

An important amendment to the Criminal Code is that dealing with criminal sexual psychopaths. The new legislation permits the Court to find the person to be a dangerous sex offender even on the basis of a first offence, after proper medical evidence is presented. The Court is empowered to impose a sentence of preventive detention.

A further amendment provides that such a person may not be released from penitentiary except with the approval of the National Parole Board. Amendments were to a large extent based on the recommendation of the Royal Commission appointed to investigate the question.

General

Other amendments to the Criminal Code dealt with such matters as:

- (1) The restoration of the offence of dangerous driving;
- (2) The offence of driving while the driver has his license suspended;
- (3) Regulations governing small pleasure craft on domestic and territorial waters of Canada.

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LABOUR

LABOUR

In each of the last five years, more Canadians have been at work than ever before.

Canadians produced more, earned more, saved more, spent more and exported more in each of the last five years of Progressive Conservative Government.

In 1961 and 1962, consecutive trade balances —we sold more abroad than we bought—were recorded, the first in a decade. AC901

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1963 Employment

♠,0005 In 1962 an average of 6.2 million Canadians were at work—higher than ever before.

V. 9 This represents an increase of 632,000 new jobs for Canadians since the last complete year under the Liberals.

Since 1956, Canada's labour force grew by 826,000—a more than normal increase for a six year period.

The total number employed in non-agricultural industries increased by 755,000. The total number employed in agriculture dropped by 123,000 from six years ago.

A notable feature in Canada's job picture is the fact that employment is consistently higher here in Canada than in the United States.

Unemployment in the United States remains higher than in Canada despite the fact that almost three million working-age Americans are subject to compulsory military service for at least two years.

PRODUCTION

Total Canadian production has increased from \$30 billion in 1956 to \$40 billion in 1962 ---more than a 32% increase.

The December 29th, 1962 edition of the London Economist (using figures provided by the European Economic Commission) indicates that Canada paced the entire industrial world in the rate of economic growth in 1962.

Behind Canada came Italy, United States, France, Japan, Sweden, Norway, Germany, Belgium, The Netherlands, and the United Kingdom.

Unemployment

Unemployment was greatest among the unskilled. The imaginative new technical and vocational training program introduced by the Progressive Conservative Government is a long-term answer to this aspect of the employment situation. The program is teaching new skills to equip workers to meet the specialized demands of automation.

It is less than two years since the Government introduced the technical training program but already more than 400 new schools have been built across Canada, capable of training 130,000 Canadians each year. Total cost of these projects — \$438 million. Total Federal government share in the program is 75%—more than \$300 million invested in Canada's future.

Unemployment Insurance

Unemployment insurance benefits, for the first time, have been extended from 36 to 52 weeks.

The amounts of benefits have been increased. For the first time, fishermen, and other sea-

sonal workers are included under unemployment insurance coverage.

Winter Works Program

The widely hailed Winter Works program, initiated by a Progressive Conservative Government four years ago, has already provided more than 700,000 new winter jobs-during months when seasonal unemployment is highest.

The Canadian Labour Congress says the Government's Winter Works Program is "not to be sneezed at." The Congress also said "there can be no question that the program has been effective, and increasingly so."

Under the Winter Works Program, a Progressive Conservative government contributes 50% of all direct labour costs incurred by municipalities on necessary winter public works projects.

Already the program has:

- . . . resulted in more than \$1 billion in new municipal public works.
- ... provided new winter jobs for more than 700,000 Canadians.

- . . . provided cities, towns and villages with federal assistance of more than \$100 million to meet direct payroll costs.
- ... helped provide more than 20,000 new municipal projects—roads, streets, sidewalks, water, sewage, drainage facilities, parks and playgrounds.

Government Programs

In 18 months the Government's shipbuilding subsidy program has more than tripled employment in the shipbuilding industry.

The Government now pays 40% of the cost of building Canadian ships in Canadian yards.

More than 165 projects totalling \$169 million have already been approved and projects totalling another \$23 million are ready to go.

More than 20,000 new jobs have already been created in the shipbuilding industry and the projects ready to go will provide another 3,000 jobs.

The housing industry in Canada has provided more than 1½ million jobs in the past five years and over half of these jobs are as a direct result of the Progressive Conservative Government increases in available mortgage money for home building.

Other programs which are contributing to Canada's increasing prosperity are small business loans, special credit provisions for Canadian exporters, special depreciation allowances for new industries establishing in areas where unemployment is chronic, special depreciation allowances for industries producing products not previously manufactured in Canada, vastly increased Industrial Development Bank Loans, and stepped-up construction across Canada as part of the Progressive Conservative government's policy of national development—ports, harbours, airports, roads, railroads, new federal buildings.



MINES and TECHNICAL SURVEYS

AC901 A7 1963 NO. 0005 V. 10

MINES AND TECHNICAL SURVEYS Scientific Research

Under a Conservative Government, Canadian researchers have probed into the sky, the seas, and previously untapped mineral lodes, in search of new wealth and scientific advancement.

New research into radio astronomy has launched Canada's participation in the drive towards outer space. Investigation of the earth's gravity and magnetism are underway —providing data essential to space exploration.

On both coasts and in the Arctic, new investigations of Canada's undersea region are in progress. The largest expedition to the polar basin in Canadian history occured in 1961. The Bedford Institute of Oceanography was opened near Halifax last year. Nearly 300 oceanographers, hydrographers, submarine geologists and others, will be at work.

A new multi-million dollar ship building program will add five new ships to Canada's modern hydrographic and oceanographic fleet. They will operate over one and a half million square miles of continental shelf and place Canada in the front line of Nations seeking the sea's wealth.

Consideration of navigation, transport, national defence, weather forecasting and mineral development gives urgency to such undersea studies. Neglected before, they are carried out now by a Progressive Conservative Government.

Tax incentives encourage scientific research by private companies — another instance of the Conservative principle of cooperation between Government and business.

Vigorous development of the scientific talents of young Canadians is assured by programs allowing students to work with Federal field parties and in Federal laboratories. The Government is encouraging allied research in universities, particularly in the geological sciences. And special Government-University programs encourage the training of graduates in such fields as oceanography, where qualified men are scarce.

Researchers in Government laboratories have intensified programs to solve the most urgent problems of the mining industry.

Methods are being explored to reduce the costs of processing—a matter of prime importance if Canadians are to compete in world markets.

New uses are being sought for those minerals which Canada has an abundance. New uses for uranium are under investigation, along with possible ways of improving extraction processes.

Expanded Activities

The size and scope of the work of the Department of Mines and Technical Surveys has been dramatically expanded in the five years of Conservative government.

It is now dealing with just about every known mineral commodity.

It has stepped up its work on iron-ores and is helping the various mineral industries.

It is leading the world in certain areas of vital research.

As a result, its contribution to Canada's technological progress and to world science has grown immeasurably.

The Department's field program has been broadened. In 1961, 102 survey parties were at work in Canada, compared with only 70 in the last year of Liberal Government. These parties have, in the last three years, covered a record 675,000 square miles.

Topographic, geodetic, hydrographic and geographic surveys are essential to the future industrial and other development of Canada. Such surveys are being carried out now at a pace unexcelled in Canada's history. The Progressive Conservative Roads to Resources program hinges upon the work of the Department of Mines and Technical Surveys. This Department's special programs and surveys are helping open up the North and other undeveloped areas of Canada.

Financial aid to the gold mining industry has been increased. The Progressive Conservative government has increased payments under The Emergency Gold Mining Assistance Act by 25%.

Coal

Although consumption of coal continues to decline, federal government action has greatly cushioned the effects—especially the human effects—of present re-adjustments.

In 1959, a Royal Commission on Coal was appointed to seek fundamental solutions to coal industry problems.

Certain of the Royal Commission Report's specific recommendations were strongly protested by miners and industry officials. An intensive study of the practical effects of certain of these recommendations—and of the numerous briefs and other submissions to the Commission—was launched.

Existing high subvention rates, and various other forms of increased assistance, were successfully extended, staving off threatened mass unemployment in the Nova Scotia sector of the industry.

When DOSCO announced the closing of three Nova Scotia mines, Federal negotiators arranged postponement of the closings until winter passed. Subsequent co-operation between DOSCO and the governments of Canada and Nova Scotia provided a program which avoided mass unemployment. Long-term public projects and extensive technical education allow displaced miners to re-locate in alternative well-paid jobs.

The competition of oil and natural gas had cut deeply into the domestic coal industry of Alberta. But mining operations in Drumheller and the Crowsnest Pass were revitalized by increased subventions, new scientific research into blending Canadian and Japanese coking coals, and the opening by the Conservative government of new export markets in Japan.

Coal

By increased coal subventions, by special assistance for abnormal stock piling of coal, by unremitting efforts to find markets for Canadian coal, by Act of Parliament, by Orders in Council, by Cabinet directive, the Government has staved off threatened mass unemployment and prevented the worst of the human distress which ordinarily accompanies crisis in a sector of the economy.

Government policies and assistance have helped to maintain the coal industries of Saskatchewan. New Brunswick and Alberta in a relatively healthy condition. They have developed new markets for Nova Scotia coal in Ontario - 200.000 tons in 1961 and another 100.-000 tons in April, 1962 — in February, 1963, Ontario Hydro signed a contract with the Dominion Coal Company to buy 2.8 million tons of Cape Breton coal over the next five years. The contract calls for 350.000 tons this year, 450,000 tons in 1964, 550,000 tons in 1965 and 750,000 tons in both 1966 and 1967 - in spite of the sharp reduction in the overall coal production of that province. They have brought new life to the coal mines of the Crowsnest Pass region of Alberta and British Columbia through finding and developing new markets in Japan. Government policies have kept unemployment in the Canadian coal industry to a minimum during difficult periods.

Coal Subventions

In its five years in office, the Progressive Conservative government has paid direct coal subventions totalling \$63.9 million — an increase of 36% over the \$46.8 million paid by the Liberals in their last five years in office. In Nova Scotia, alone, the Progressive Conservative government paid \$53.4 million in coal subventions—an increase of 48% over the last five years under the Liberals when the subvention totalled \$36 million.

In addition, in Nova Scotia, the Progressive Conservative government paid \$4.3 million in subventions for Nova Scotian coal used in thermal electric power production.

In cooperation with the Government of the Province of Nova Scotia the Progressive Conservative government further assisted the Province by providing \$3 million to keep mines open in Nova Scotia.

Atlantic Provinces Power Development Act

For the first time, the Progressive Conservative government is paying subventions on Maritime coal used in the production of thermal electric power.

Since 1958, the Progressive Conservative government has paid \$6.6 million in subventions on Maritime coal — \$4.3 million for Nova Scotia coal and \$2.3 million for New Brunswick coal. New Brunswick has been further aided by direct subventions of more than \$1 million.

Western Exports to Japan

The Progressive Conservative government has assisted coal industries of Alberta and British Columbia by providing subventions of \$7.6 million, for Western coal exported to newly found markets in Japan.

Coal Production Assistance Act

In 1959, for the first time, the Progressive Conservative government amended the Coal Production Assistance Act to make coal mines in the West eligible for Federal mechanization loans. An additional \$10 million was made available for loans and the limit placed on the period during which loans could be made was extended to October 31st, 1964.

The maximum loan, which previously could be made to any one coal producer was \$7.5 million. This has since been raised to \$12 million.

In the last five years, the Progressive Conservative government has provided \$2.7 million in loans under the Coal Production Assistance Act.

Published By The Progressive Conservative Party of Canada



NATIONAL DEVELOPMENT

AC901 A1 1963

NATIONAL DEVELOPMENT

100005 The Progressive Conservative Government's V. 11 National Development Policy is taking giant strides in seven-league boots.

More than 4,200 miles of roads to resources are being built in the northern stretches of the Provinces. Already more than 3,300 miles have been completed or are under construction. These roads are bringing increased prosperity to the Provinces and increased revenues to the mining, fishing, lumbering and tourist industries.

More than 2,000 miles of access and development roads are being constructed in Canada's rich northland. The wisdom of the decision to build these arteries is dramatically vindicated by the increase in northern oil and gas exploration permits from 230 in 1956 to 2,424—an increase of 954%; by the increase in acreage under exploration from 11.9 million acress in 1956 to 123.7 million acress—an increase of 939%; by the increase in northern exploration expenditures by private enterprise from \$8.8 million to \$34.9 million—an increase of 297%; and most dramatically by the discovery of oil and huge deposits of tungsten, lead, zinc, silver, and copper in the Yukon.

RAILWAYS TO RESOURCES

Construction of railways to resources in the past four years far exceeds railway construction undertaken elsewhere in North America.

More than 290 miles of rails have already been laid in mineral-rich Northern Quebec and another 60-mile branch line is presently under construction. A 47-mile extension will be constructed in the Gaspé Peninsula linking Matane to Ste. Anne des Monts.

A 52-mile branch line to assist in the development of large mineral deposits has been completed in Northern Manitoba.

A 23.2-mile branch line will be constructed northwest of Edmonton to assist in mineral development.

The Pine Point Railway, a 437-mile line which will link the settled areas of Alberta with the resources-laden Great Slave Lake area, will be completed within the next few years. It will be completed despite a Liberal attempt to defeat the Bill authorizing construction—a complete about turn for the Party which had promised this railroad since 1926.

NEW AIRPORTS

Airport terminal construction has reached the highest level in the history of Canada. Modern new airports have been completed at St. John's, Gander, Halifax, Quebec City, Montreal, Ottawa, Three Rivers, Windsor, Regina and William Lake.

Construction is in various stages of progress on new airports at Sault Ste. Marie, Penticton, Prince Rupert, Port Hardy, Toronto, Winnipeg, Edmonton and North Bay.

HARBOUR IMPROVEMENTS

The greatest ports and harbours development program in history is underway.

Multi-million dollar facilities have been added and existing facilities have been improved at Montreal, Quebec City, Vancouver, Saint John, Halifax, Three Rivers, Saguenay district, St. John's and Churchill—to name a few of the larger projects.

The \$196 million South Saskatchewan Dam and Power Project, promised by the Liberals since 1929, is nearing completion under a Progressive Conservative Government. This multi-purpose water conservation project will not only irrigate a large area subject to drought but will provide adequate power which will encourage new industries to locate.

As recently as September 26, 1961, Liberal spokesmen in the House of Commons said

their Party would not have built this Dam even though they had promised it in every campaign since 1929.

The \$30 million Beechwood Power Project in New Brunswick has been completed with the assistance of a federal loan which had been refused time and time again by the Liberals. The \$15 million interprovincial power grid system — 560 miles of transmission lines, thermal generating stations and terminal stations—has been completed in New Brunswick and Nova Scotia with federal assistance.

An independent department of Forestry has been established, for the first time.

Since, 1958, the Progressive Conservative Government has provided \$9.3 million for forest access roads and trails. In the current year eight provinces are undertaking 170 separate projects which involve 1,500 miles of access roads and more than 2,000 miles of trails which will improve access for fire protection purposes.

In each of the next two years the Progressive Conservative Government is offering \$7.9 million in financial aid to the province for forestry operations.



PAMPHLET 12 SPEAKERS' HANDBOOK

PARLIAMENT

PARLIAMENT

Parliament often seems distant from the day-to-day life of the average Canadian. Yet, more than any other national institution, it symbolizes the principles of democratic and representative government.

In the last years of the Liberal regime, Parliament lost authority and prestige. The bull-dozer passage of the Pipe Line Bill-when an arrogant Liberal Cabinet mis-used Closure to muzzle elected representatives-was only the most dramatic blow the Liberals struck Parliament, There were others, Parliamentary Committees-once effective forums for investigation and discussion-were in decay. The silent obedience of back-bench government MPs earned their reputation as "trained Seals." The Speaker's impartiality was destroyed. Honest representation was denied by the juggling of constituency boundaries to help candidates. The Cabinet ignored Liberal Members of Parliament.

The Progressive Conservative government has restored Parliament.

The committee system is revitalized. Some committees which had been inactive 20 years

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1963
carried out valuable functions during the carly Progressive Conservative actions was to appoint an Opposition member chairman of the important Public Accounts Committee — the committee which scrutinizes public expenditures.

AC901

Back-bench MPs have a new influence. In committees, in P.C. party caucus, and in the extended private members' hours in the House of Commons, their ideas are encouraged and their views listened to. The National Productivity Council was first suggested by a back-bench Conservative. Another P.C. backbencher introduced a private bill to abolish capital punishment, and thus launched a nation-wide discussion which led in time to Government legislation.

Such contribution by an individual M.P. was unknown in the Cabinet-dominated Liberal Parliament.

The bi-cultural nature of Canada and Parliament is formally and finally recognized by the provision of simultaneous translation of House of Commons debates.

The importance of these measures becomes more obvious when we recall the downgrading of Parliament by Liberal Cabinet ministers and Liberal Civil Servants, some of whom are now seeking a return to power.

In June of 1956—the month of the Pipeline —an "open letter" to the Liberal Prime Minister was written by Dr. Eugene Forsey, a recognized authority on Canada's constitution, and the research director of the Canadian Labor Congress. Here is an extract we would do well to remember.

"For responsibility to Parliament you have substituted 'Who's going to stop us?' For the rule of law in the House of Commons you have substituted the naked and lawless force of the will of the majority. For an impartial Speaker, the servant and shield of the House, you have substituted a creature and tool of the executive. You have degraded his high, his almost sacred, office. You have profaned the fabric of Parliament itself, the noblest and most venerable institution of popular government in the world.

"In short, you have given yourselves the tools for the utter destruction of our liberties. You have shown that you know how to use them."

Obstruction

The normal period of time for question period is approximately 30 minutes. In the last session of Parliament there were 28 days on which the question period ran longer than 30 minutes. On four days the question period ran longer than 40 minutes. On six days the question period ran over 50 minutes. On one occasion—October 17th—through procedural wrangles, Orders of the Day consumed one hour and 48 minutes.

On January 31st, through procedural wrangles, the House never did reach Orders of the Day and two hours and two minutes was consumed before the House finally got down to business.

It is significant to note that on days when the question period was short, the first speakers on the floor were Liberal speakers.

On October 23rd, the question period was nine minutes and the first speaker was Liberal Walter Gordon resuming his speech on Ways and Means discussion on income tax.

On October 29th, the question period was five minutes and the first speaker on the floor was Liberal James Byrne continuing his remarks from the previous night.

On November 22nd, the question period was 14 minutes and the first speaker on the floor was Liberal Guy Rouleau.

On November 5th, the question period was 13 minutes and the first speaker on the floor was Pearson.

On November 23rd, the question period was 11 minutes and the first speaker on the floor was Pearson.

On January 25th, the question period was 12 minutes and the first speaker on the floor was Pearson.

Therefore, it would seem to indicate that when the Opposition wanted the floor or had the floor from the previous night, they could cut the question period very short.

Oral Questions Asked

A random sample of seven representative days shows there were 324 Opposition questions, supplementary questions, points of order, points of privilege, etc. 173 of these 324 questions were ruled out of order by the Speaker as either irrelevant, frivolous, more proper for the order paper, or some such like reason.

In the fall session in 1956 in seven representative days there were 47 questions, supplementary questions—no points of order no points of privilege, and only two were ruled out of order. One of the two questions ruled out of order was by a Liberal Minister calling to the attention of the House a trivial error made by one of the Conservative spokesmen.

Written Questions

There were 1,467 written questions submitted in the last session of Parliament — a three-month session. This was almost triple the previous records set in 1959 in a six month session when 522 written questions were submitted.

Summary

The House of Commons last session sat 25 and one-half hours a week. The total time consumed on question period was 2,008 minutes—or 33 hours and 28 minutes.



POST OFFICE

During the last five years the Canada Post Office has handled more mail, handled it more efficiently and received fewer complaints than at any other time in its century of service. It has extended door-to-door delivery service to more Canadians than at any other time in history, made spectacular advances in the delivery of mail to rural patrons and at the same time has achieved greater economies than ever before.

ACGOI A1

no,0005 New Services

V. 13 Under Progressive Conservative direction, the Canada Post Office has established and maintained close relationships with British and United States postal administrations designed to foster the development and introduction of the most efficient postal methods. New postal buildings have been opened at major centres including Vancouver, Calgary, Winnipeg, Saskatoon, London and Windsor, and other major building projects are under way.

The number of Canadians receiving door-todoor mail delivery rose from just over 2.4 million in April 1958 to over 3 million in 1962, an increase of 25 percent in just five years. In its first five years in office the Progressive Conservative government inaugurated letter carrier service in almost four times as many cities as under the Liberals. From 1953-56 letter carrier service was extended to only 11 cities. In five years of Progressive Conservative government 50 cities received letter carrier service.

More than 200 new rural routes have been established. In rural areas, despite a continuing movement of population to the cities, individual mail service has been extended to more than 635,000 families, an increase of almost 7 percent in the past five years.

Increased Efficiency

During the last year of the Liberal administration, the post office received 123 complaints per million pieces of mail handled. Under Progressive Conservative administration, this indicator of postal efficiency has been dramatically improved each year, moving successively from 106, to 101, to 94 and in 1962, to a mere 81 enquiries per million pieces of mail . . . the lowest by far in the history of the Canada Post Office and an improvement of almost 30 percent over the standards set under Liberal administration.

Improved Administration

A businesslike approach to Post Office operations has enabled substantial savings to be made. Compared with what costs would have been without the modern administration methods the Post Office Department is now using, new savings in one year alone have amounted to \$750,000 in the Financial Branch, \$2.1 million in mail-handling operations and \$500,000 in stenographic and typing costs. Almost one million dollars was saved during the 1960 Christmas rush through the use of improved mail-handling techniques and a similar saving was recorded in Christmas of 1961. The Christmas rush of 1962, considered to be the most efficient operation in the department's history, was carried out with further savings estimated to be in the nature of \$250.000.

Reflecting the efficient administration of a Progressive Conservative government, the Postal Service maintained its operating economy and, at the same time, gave continuing employment to some 41,000 Canadians, an increase of some 1,500 over the 1958 figure, and paid out to its employees a total of \$140.8 million in 1962, an increase of more than \$36 million over the 1958 figure.

Improved Service To Patrons

Stamp collectors across Canada, including the high-prestige Royal Philatelic Society of Canada, have praised the Post Office Department for its increased interest in philately and have described postal attitudes under the Progressive Conservative direction as the most enlightened in years. Special programmes have been developed to make use of postage stamps to promote knowledge of Canada in foreign countries, and at the same time to increase the consciousness of Canadians in their own history and traditions by introducing new Canadian stamps in school courses across the country. In the last few years two Canadian stamps have won international recognition as "Best in the World" and "Best in the Commonwealth", respectively.

Conscious of its role as a service to the Canadian business community, the Canada Post Office has undertaken, under Progressive Conservative direction, to streamline its methods of handling second and third class mails.

Under the new system established by the Post Office and enthusiastically endorsed by publishers across the country, newspapers and magazines are now being handled more quickly and efficiently than ever before and at lower cost to both the publisher and the post office.

At the same time the post office undertook a major study of direct mail advertising and, as a result, introduced new regulations designed to protect the public from bulky and unsolicited advertising. The regulations also met with the general approval of the advertising industry because they protect advertisers from unwarranted loss of business.

These advances have eliminated many of the annoyances and problems encountered by business mailers under the Liberal administration.

Finally, under the guidance of a Progressive Conservative administration and in cooperation with the Conservative-appointed Glassco Royal Commission, the Canada Post Office undertook a major reorganization designed to bring the postal service of this country into closer line with modern efficient business practices and to prepare the nation's mail service for the challenges of the future.



PRESS QUOTES

AC901 A7 1963

1962 Great Year --- Time

no. 0005 "White-hot ingots sliding out on the rollers pushed the Nation's steel industry towards its first 7,000,000-tons a year."

> "Ontario's auto men . . . purring over a memorable 1962, got off to their fastest selling start in five years with the 1963 models."

> "In the West, a fruitful half-billion bushel wheat crop was not only harvested but partly sold, and the Prairies again rejoiced in being the bread-basket to a substantial part of the world."

> "September unemployment (was) down to 260,000 . . . its lowest ebb in three years. . . ."

Listing these impressive achievements of the Canadian economy, the October 26th issue of *Time* went on to say that the Canadian economy was "basking in a prosperous warmth."

"Certainly, there was some reason to bask. The gross national product for the first time reached an estimated \$40 billion, a 7% growth in the first nine months and well up to expectations. Ottawa economists saw permanent new muscle in manufacturing, which led all industry with a stable 2% rise in 1962's second quarter, and continued strong to the third. Perhaps, accounting more than anything else for the sense of well being in board rooms was the 3% rise in corporation profits to a record \$3.9 billion . . . no less than 30% above the wintery bottom of 1961."

Toronto-Dominion Bank's President, Allen Lambert, noting manufacturing's steady rise and an even greater growth in the back-log of orders, pronounced himself "quite optimistic." He added: "through most of 1963, we will have a growth pattern that is acceptable, if unexciting. Not all the stimulus we should get from the pegged dollar has been reflected yet."

Time's Canadian reporters wrote: "the devalued dollar had already helped zoom the value of exports, by the end of August, to a record \$4.2 billion..."

More Exports — New Markets

"The government is doing a great deal to improve the character of exports. We're beginning to move into markets we never bothered to try before."

The Financial Times

1962 — "Brighter Economic Performance —"

Time magazine's year end review of Canadian business (Jan. 11, '63) was studded with so many superlatives that it read like a press agent's puff for a Broadway show. "Prosperous prairies", "unexpected plenty amid the dark thunder of financial crisis", "the best year since 1956", "brighter performance than the economies of U.S., Britain or Europe", "the bounty spread richly across the land" and "record level of capital investment" were some of the lush phrases that *Time* needed to describe what it found. From East to West *Time's* reportorial eyes scanned the scene.

THE PRAIRIES ".... rich '62 harvest accounted for a full 2% of nation's growth \$140 million hydro project at Grand Rapids (Manitoba) and plans for another on Nelson River.... Saskatchewan \$40 million potash mine (and) producing more oil than Alberta Alberta's oil industry boosted oil production by nearly 100,000 barrels daily

BRITISH COLUMBIA ". . . . everything was up but unemployment . . . Peace River oil production went into flow . . . forest industry increased production 13.9 per cent to \$780 million"

THE MARITIMES "... enjoyed better times. In Sydney ... an \$8 million contract for steel rails Halifax bustled with biggest construction year in history. A \$40 million pulp mill at Port Hawkesbury and new iron ore projects in Labrador helped give the Atlantic provinces a record level of capital investment." QUEBEC. "Montreal's new lift was clear on its skyline \$125 million subway \$16 million grain elevator 1967 World's Fair."

ONTARIO. "... paced the boom auto industry built (record) 500,000 cars and trucks that shifted steel mills into high gear and a 7 million ton year."

Record Steel Orders

"Canadian steel-makers are being hard pressed to cope with the record flood of orders for cold rolled steel sheets."

> Financial Post, January 5, 1963.

Highest Growth Rate In World

"... Canada chalked up the highest growth rate of any Atlantic Community country...." Business Week, December 29, 1962.

"1962 was a record-breaking year for the Canadian economy... across the country... records were smashed."

> Canada Month, January, 1963.

"Worldwide industrial expansion is 7% over last year with the U.S. (coming out of a recession) and Canada registering the top gain of 10%."

Newsweek, November 22, 1962.

"this year (1962) is likely to rank with the best of the whole post war period. . . ."

Toronto Telegram, December 28, 1962.

"In the West, a fruitful half-billion bushel wheat crop was not only harvested but partly sold, and the Prairies again rejoiced in being the bread-basket to a substantial part of the world."

> Time Magazine, October 26th, 1962.

Personal Incomes Up

"Personal incomes have continued to expand in the wake of increased employment opportunities, higher rates of pay, and record levels of farm income."

> Canadian Imperial Bank of Commerce, December, 1962.

Labour Income Up

"During 1962, employment and labour income reached new highs."

> Ottawa Citizen, December 24, 1962.

Exports Up

"One of the main sources of strength as this year progressed has been the substantial rise in the volume of exports."

Canadian Imperial Bank of

Commerce, December, 1962.

"Canadian Exports Sparked Canada's Strongest Expansion in Six years."

The Ottawa Citizen,

December 24, 1962.

Prices Down

"a 12-nation comparison of retail price increases over the 12 months shows that Canada has been the most successful in keping down the cost of living. The Canadian increase was just under 1%. The U.S. was only a shade more. Biggest increases were in France, Holland and the U.K. where the cost of living rose by over 5%. In Germany and Sweden it rose by 4%."

> Canadian Business Magazine, September, 1962.

Devaluation "Powerful Force"

"Devaluation has provided a powerful force contributing to a better external balance, increased production and more employment."

The Mercantile Bank of Canada, Spotlight on Canada, Mid-November, 1962.

Businessmen Optimistic

A large majority of Canadian executives in most lines of business expect their firms will do better in 1963 than they did in 1962, preliminary results of the annual *Financial Post* survey indicate.

Highlights of the weekly's industry-byindustry poll:

- Western Canada oil and gas producers: "outlook for 1963 optimistic"
- Food and soap manufacturers: "volume up in '63"
- Meat and vegetables packers: "inspiring prospects"
- Key electronic equipment producer: "growth due to gain in export sales"
- Top flour miller: "about the same"
- Large integrated oil company: "increases will continue unabated"
- Cigarette manufacturer: "Trend to increases will continue"
- Processor of sea foods: "expansion plans in offing"
- Heavy machinery and equipment: "we're not looking for any recession"
- Soft drinks manufacturer: "continued growth in sales and profits"
- Floor coverings manufacture: "improvement expected"
- Stainless steel producer: "increased volume"
- Synthetic textiles: "'63 prospects encouraging"
- Farm implements: "maintain record pace"
- Capital goods: "re-valuation helps"
- Pulp and Paper: "increased sales"

Businessmen Laud Government

"I am not a Conservative; ... but the fact remains that in this last year the Government has taken many constructive steps—

- Revaluation of the Canadian dollar.
- Research encouragement by tax relief.
- Encouragement for expansion of sales by tax relief.

- Setting up the Productivity Council.
- Encouragement of exports by credit provission"

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Wilfred N. Hall, President, Dominion Tar and Chemical.

"This year's performance has shown that the economy is not in the unhealthy condition attributed to it by the pessimists among us. The gross national product should show an increase of at least 6% this year over last. The index of industrial production for July was at its highest level in history. Our exports for the first half of the year bettered last year's first half by over 12%. Investment is buoyant. In addition we have probably yet to see the full effects of the cheaper dollar," says J. G. Hungerford, President of National Trust.

Jack Pembroke, President of Royal Trust Company of Canada, said "the Canadian dollar has strengthened...."

"There is more money for investment than first class mortgages available in Canada."

"There is evidence of some overseas money now coming into the country for investment."

Canadian Price Stability Best In World

Says a Canadian Press despatch from Washington: "President Kennedy estimated today that Canada achieved the best record of price stability among all the major industrial countries."

What's more, "world market prospects are now bright for Canada" for "in terms of ability to compete in world markets, prices of Canadian goods have tended to improve in comparison with those of European exporters."

That's the way President Kennedy sees it. Estimates by his council of economic advisers indicated that Canadian wholesale and consumer or retail prices declined by seven per cent during the last three years.

The Canadian Government's re-valuation of

the dollar was seen as the key. World buyers, armed with American currency or its equivalent, could get more for their dollar in Canada than they could before. In effect, while Canadians found prices of some of their imports had increased, Canadian products became more competitive in world markets.

In its price comparison, the council estimated wholesale prices in Britain and The Netherlands increased by six per cent in the 1959-62 period. Those in France rose by seven per cent and in West Germany by nine per cent.

Making this comparison on the consumer price scale, the council concluded that Canadian prices dropped by seven per cent while those in U.S. increased by four per cent during the three year period. In Britain and Italy they were estimated to have increased by nine per cent and in Japan by 16 per cent.

Government Program "Sound, Imaginative"

"A heavy legislative program designed to stimulate and strengthen the Canadian economy and safeguard Canada's trade position in a world of shifting markets."

Montreal Gazette

"A bold Speech."

Toronto Globe and Mail

"The program of the government as presented from the Speech from the Throne is comprehensive..."

London Free Press

"All in all, this is a bold and imaginative program which merits a full vote of confidence."

Fredericton Gleaner

"This is a considered document to fit the times, bearing the imprint of sound, longrange planning."

Ottawa Journal

"The government has given some indication that it proposes to tackle the big, major issues intelligently and courageously."

Calgary Herald

"The government's proposals are . . . broad and imaginative and deserve a trial."

Hamilton Spectator

"In general the speech reflects the steady aim of the Diefenbaker regime to maintain and increase the present rate of economic progress and to move forward with confidence and zeal in promoting the welfare of the country, collectively and individually."

Daily Colonist, Victoria, B.C.

Business "Spree For '63"

Whether like the Toronto Globe and Mail they say: "A strong thread of optimism links Canadian cities from coast to coast as business and industrial leaders forecast improvement in already favourable conditions during the months ahead." Or whether like Gordon Sinclair writing in *Liberty* they say: "a spree for '63", our prognosticators "gaze with glee into '63" and sing a happy tune:

".... the economic climate for 1963 should be expansionary ..."

A. T. Lambert, President,

Toronto-Dominion Bank

".... (the revalued dollar) could easily give us a very good new year."

Clarence L. Barber,

Professor of Economics University of Manitoba

".... (in 1963) ... if present trends continue, we will top our sales in 1962, which were the highest in 115 years...."

D. A. Coape-Arnold, Vice-pres., Massey Ferguson

".... business for the chemical industry ... will be at least as good in 1963 as in 1962." L. D. Smithers, President, Dow Chemical Co. Production, a record in 1962. Jobs a record 16,000. Production and jobs in 1963 will continue at record level.

E. H. Walker, President,

General Motors Corp.

"Prospects at home and abroad bright for the fishing industry."

R. F. Johnson, Sec. Mgr.

N.S. Fish Packers Assoc.

"The outlook is for an expansion of employment opportunities in 1963."

W. R. Dymond

Department of Labour.

"... we are in for another year in which there'll be a fairly high level of economic activity"

Victor Oland, President,

Can. Chamber of Commerce.

"The Atlantic Region same level as 1962." Gerald E. Martin, President, Atlantic Prov.

Economic Council.

"... at least a 3% increase in the gross national product in 1963..."

D. S. Beatty, President,

Can. Investment Dealers Asoc.

".... economy will maintain its present pace, at least until late in 1963..."

J. H. Smith, President,

Can. General Electric.

".... sustained demand ... continues to tax capacity of our plants."

Karl E. Scott, President,

Ford Motor Co. of Can.

"In all probability it (1963) will be a most memorable year."

W. O. Twaits, President,

Imperial Oil Company.

"Canada's domestic economy has taken everything in its stride and is closing out 1962 on a sharp note of unprecedented prosperity . . . the economic upswing looks as though it will continue in 1963"

The Daily Colonist, Victoria, B.C.

"... next year is expected to see an extension of the favourable trends prevailing in 1962, with all the major sectors of the economy participating in overall growth of national output." The Albertan, Calgary, Alta. "... turned in a good performance during 1962.... the outlook for 1963 is good...." The Edmonton Journal. Edmonton, Alta.

"The sixties may go down in history as the great decade there have been improvements all along the line"

Moose Jaw Times-Herald, Moose Jaw, Sask. "... 1962 turned out to be another good year ... 1963 may well be expected to repeat performance"

The Leader-Post, Regina, Sask. "... the majority of Canadians have had a busy and prosperous 1962... the coming year should be equally satisfactory."

The Winnipeg Tribune, Winnipeg, Man. "Doubt dispelled . . . (Canadians) can take a great measure of satisfaction in what has been accomplished"

Times-Journal, Fort William, Ont. "After bumper year, forecast: Happy New Year for 1963." The Telegram, Toronto, Ont. "... 1962 gave Canadians . . . the best growth in years . . . (and 1963) may do some high kickin' before she's done."

Toronto Daily Star, Toronto, Ont. "The Canadian economy has managed to weather the financial crisis of 1962 and is in better shape to face the new year."

The Ottawa Citizen, Ottawa, Ont. "A year of sound growth reasonable grounds of promise for 1963"

The Gazette, Montreal, P.Q. "... economic expectations are high in Nova Scotia as we begin 1963... progressive trends launched in 1962."

The Chronicle-Herald, Halifax, N.S. "... the economy has moved into 1963 with business running at record levels...."

The Financial Post, Toronto, Ont.

"Canadians are cocky about their economic prospects for 1963." Business Week "... business is rolling ahead so well it appears able to keep going well into 1963....." The Financial Times, Montreal, P.O.

"Confidence in the economy has been restored. The opportunities are there and most Canadians should be better off in 1963 than they were in 1962." Canada Month

1963 "Coming Up Roses"

No wonder Gordon Sinclair in his business forecast prophesies "that life is coming up roses for most Canadians in 1963". Controversial Mr. Sinclair take a poke at the gloom prognosticators who predicted dire things for 1962 and advances these reasons for his optimism about 1963.

"There is more cash in Canadian savings accounts today than there has ever been before. There is a decrease in unemployment and more Canadians are covered by protections against disaster. These include unemployment insurance, personal savings, prepaid hospital and medical care, credit unions, pension schemes and insurance. Probably others I haven't thought up. Mutual Funds, while I personally dislike them, are useful in reducing the risk to individuals who invest in stocks. The sale of new cars . . . the 1963 models, is away up. The cold war is showing at least a sign of a thaw and there is a growing body of opinion to say that since there has been no war with all the provocation already provided then there will be no war ever.

"I'd say 1963 will be one of our best years."

Who's Misleading Whom?

One of the best answers to the question in the above headline was given in an editorial in the Victoria Daily Colonist on September 30th, 1962.

"Mr. Pearson surely cannot hope to persuade Canadians now that their country is in the dire straits he and his cohorts so joyously predicted in May and June. The factual figures of Canada's economic position as published by the DBS last week are sufficient evidence in themselves to destroy his gloomy prophesies.

Canada's gross national product to date, according to the DBS, has increased by such a rate that it appears likely that the government's April 10 budget forecast will "be achieved or perhaps exceeded".

The report also reveals these facts: personal incomes have advanced 3.4% over the first quarter, labour income is up 1.6%, corporation profits have risen 3%, and net savings for individuals have increased by 55%.

So much for that aspect of the nation's economy—an aspect which Mr. Pearson might care to avoid mentioning. But what about the grim unemployment picture the Liberal Leader painted for Canadians during the election campaign. Here, too, he becomes unstuck.

Less than a month after he had forecast to all that the country would soon be suffering from the highest rate of unemployment since the unhappy days of the great depression. Canada's unemployment figure stood at 4.5% of the labour force—nearly 1% less than the United States' figure for the same period. And yet, Mr. Pearson constantly holds up the government and the economy of the U.S. as a model of all that is virtuous and an example of strength which should be emulated by this country."

Liberal Obstruction — Bad Manners

"LIBERAL BAD MANNERS" is the way the Liberal-leaning *Toronto Star* headlines its editorial taking Mr. Pearson to task for the shameful outburst in the House of Commons at the close of last session.

Says the Star:

"The Liberal party should be thoroughly ashamed of last night's outburst. . . . The Prime Minister of Canada, regardless of party is entitled to a certain minimum respect. If he wishes to make a statement in the House of Commons at any time, he should be given the opportunity to do so—as a matter of both courtesy and of public policy.

".... Liberal back benchers drowned him out with yells and desk-banging and refused him the unanimous consent he needed to complete his statement after the normal adjournment hour of 5 o'clock.

".... It is hard to understand why Mr. Pearson tolerates this kind of behaviour by his supporters. It was just such crude parliamentary tactics, in the closing years of the St. Laurent administration, which helped turn public opinion against the Liberals in 1957; they created the impression of a party bent on silencing opponents and critics rather than answering them."

Liberals "Sorry Performance"

"The Liberals are making themselves the laughing stock of all Canadians."

Clement Brown, C.B.C. Commentary. "the defeat of a Government (has) to be brought about on a matter of principle. It cannot be justly done by a trick, or a farce."

The Montreal Gazette,

November 9, 1962.

".... shocking exhibition of cynicism naked and unashamed there must be tens of thousands of Liberals disgusted and ashamed."

The Ottawa Journal,

November 8, 1962.

"The Liberals are moved, not by considerations of the national good, but by political opportunism."

Toronto Globe and Mail,

November 7, 1962.

"The Liberal attempt has been patently idiotic and there is no reason to compound idiocy."

The Telegram,

November 8, 1962.

".... any repetition of it (the political manoeuvering — ed.) would tarnish the reputation of those involved."

Montreal Star,

November 8, 1962.

"A sorry performance . . . The Liberal party gained no advantage."

Winnipeg Free Press,

November 8, 1962.

Old Mourners Never Die

"That report that the 'last of the professional mourners' had died must have been wrong. Old professional mourners never die. They just join the Liberals."

-Ottawa Journal Editorial, March 2, 1962.

Pearson On Nuclear Arms

"After prolonged tortuous turnings and twistings, Mr. Pearson has come out for nuclear arms for Canadian forces," says the Ottawa Journal (Jan. 15, '63).

We'll let the record tell the story of these "tortuous turnings and twistings".

MR. PEARSON FAVOURS

NUCLEAR ARMS:

Urges that the U.S. congress give Canada atomic weapons for joint defence.

Toronto Globe & Mail Sept. 23, 1958 Canada's Bomarc missiles must have nuclear warheads.

Vancouver Sun, Sept. 26, 1958

MR. PEARSON OPPOSES

NUCLEAR ARMS:

No tactical nuclear weapons as long as their use remains under the control of some other power.

Vancouver *Province*, Sept. 16, 1959 We should have nothing to do with strategic nuclear weapons.... that's out of our league.

Press Conference, Ottawa, Nov. 10, 1959 Canada should not accept nuclear weapons either under our own or any other control. Halifax Chronicle-Herald, Nov. 20, 1959 Vigorously oppose the arming of Canadian forces with weapons under the control of another country.

Cornerbrook Western Star, Nov. 24, 1959

No nuclear arms for Canada unless under Canadian control.

Ottawa Journal, Dec. 8, 1959

No nuclear arms if the use is controlled by any other single power.

Winnipeg Free Press, Dec. 11, 1959

The fewer nuclear weapons in the world the better.

Saskatoon Star-Phoenix, Oct. 12, 1960

Should not allow the further spread of nuclear armaments.

Regina Leader-Post, Oct. 12, 1960

A nuclear deterrent may be necessary for the U.S. but not for us.

Ottawa Citizen, Oct. 29, 1960

In February 1961, says Patrick Nicholson in his syndicated column, Ottawa Report, Mr. Pearson issued a policy letter to "Dear Fellow Liberals", which said:

"A new Liberal government, therefore, should not acquire, manufacture or use such weapons (nuclear arms) either under separate Canadian control or under joint U.S.-Canadian control."

However, says Ottawa Report, datelined Jan. 23, 1963:

"After the U.S. General, Lauris Norstad, visited Ottawa and delivered his scolding to Canada, Mr. Pearson came out with a complete switch. Our Bomarcs, our Starfighter interceptor aircraft and our Honest John artillery units should all be equipped with nuclear warheads under joint U.S.-Canadian control or NATO control. "Just before his policy reversal, Mr. Pearson had visited the U.S. This led to Prime Minister Diefenbaker's quip that every time Mr. Pearson goes to the U.S. he comes back with new orders, while in contrast the policies of the Conservative Government are made-in-Canada."

Fisheries Minister Hailed

"Our Island representative in the Dominion Cabinet, Hon. J. Angus MacLean, always speaks his mind. He visited Newfoundland this week in his capacity of Minister of Fisheries, and in his usual frank manner cautioned Newfoundland fishermen against selling their product at one price despite a wide variation in quality..."

"Conservative ministers are not popular in Newfoundland these days—at least not with Premier Joey Smallwood; yet at the same meeting at which Angus MacLean addressed the Federation of Fishermen, Mr. Smallwood described him warmly as one of Newfoundland's "strongest friends."

"We were in no doubt in this Province as to the success of Mr. MacLean is making in his department, of his ability, forthrightness and sincerity...

"At any rate, Mr. MacLean has achieved what all his colleagues failed to do in winning Mr. Smallwood's unqualified approval . . ." The Guardian

Hurrah For Alvin Hamilton!

In an editorial of "The Country Guide" entitled "Hurrah For Mr. Hamilton"—

"A number of positive steps forward and several important breakthroughs in the field of farm policy".

"This is quite a record of performance to

establish in a single year,"... "But it doesn't end here. As important as these accomplishments are, they may be only signs of better things to come."

Comment by the Penticton Herald-

"Tremendous background knowledge".

"So well briefed that he spoke as one grower to another."

"If this sounds like a hymn of praise it is intended to be."

"Far too often in the past politicians have visited this area (though all too rarely do we get a federal cabinet minister) and have displayed a vague surface knowledge of vital issues.

He made no fine, grandiose promises. He answered questions without verbose padding and vagueness. He talked with understanding. In so doing he won the affection of every grower in the room."

Bumper Year For Agriculture

Government exchange and surcharge policies and "the cushioning effect of a complex of government policies which tend to stabilize farm incomes" are credited with having a major effect in producing this year's recordbreaking \$3 billion farm income.

"With cash incomes at such levels and with above average crops", says the Bank of Montreal *Business Review*, "it is not surprising that the farmer is in the mood to buy thus providing a stimulus to business activity throughout the economy."

"REAPER'S REWARD" is the way Canadian Imperial Bank of Commerce Commercial Letter headlines its November issue. Not only wheat but beef and other commodities were helped by the improved competitive position of Canadian agricultural produce in world markets.

Reflecting the prosperity of the farm community and the greater use of capital on the farms, the *Commercial Letter* notes that total loans outstanding on the books of the Farm Credit Corporation was in excess of \$268 million at the end of September. Farm Improvement Loans at the end of September 1962 and production loans totalled \$555 million.

The bank letter noted that funds available to the Farm Credit Corporation were to be increased by \$100 million and changes made in regulations to make it easier for farmers to obtain credit. It was expected that this would complement many provisions of the Government's ARDA programme.

Among the principal ways in which the Government assists the farmer, the letter lists price stabilization supports, payment of storage costs on excess wheat reserves, acreage payments to Western grain producers, freight assistance on Western feed grains, Prairie farm assistance, land rehabilitation, development and conservation programs and livestock quality premiums.

It notes that, while per capita costs of the Federal agricultural program have almost doubled in the last five years, the Canadian figures are still less than half that of the U.S. Canadians generally will agree that this is not too high a price to pay for maintaining a healthy state of affairs in this important segment of our economy.

"... A more pleasing chore today is to pay tribute to Mr. Hamilton for the magnificent job he has done, in the short space of a year since he took over his present portfolio, in licking Canada's biggest farm problem. That problem, for many years past, has been the wheat surplus. It has been a nightmare to successive governments, for its effect was by no means confined to the prairie provinces but played havoc with our whole national economy. Today the situation has changed almost unbelievably.

Charlottetown Guardian

"Federal Agriculture Minister Alvin Hamilton's announcement that quotas on grain deliveries by farmers to elevators have been removed at 500 Prairie points—25 per cent of the total — is of major interest to Prairie farmers. It is also of major interest to business and industry of the West, and to every Canadian who pays taxes to the national treasury.

"Political considerations aside, the removal of restrictions on grain deliveries is a measure of the dedicated hard work Mr. Hamilton has brought to the federal department of agriculture since his appointment. . ."

"Essentially, it seems to us, Mr. Hamilton brought to bear the energetic enthusiasm of a private enterpriser in the grain selling business. Recognizing that competition was a factor which had to be faced and to be coped with, he imbued the state selling agency—the Wheat Board—with the desire to sell grain. After all, that is the Board's main function." Saskatoon Star-Phoenix

"... All across Canada, in lush western Ontario and poor eastern Ontario, on other underprivileged farmlands, and especially on the prairies, Alvin Hamilton is bringing new hope to the farmer."

Standard Freeholder

"... The success in expanding our sales of wheat, barley and flour to countries other than our traditional markets has brought new life to our port cities in both the East and West, as facilities are hard pressed to keep up with commitments made with overseas customers." Family Herald ". . . Mr. Alvin Hamilton has done a noteworthy job—possibly the best job done by a Canadian minister of agriculture in many years.

"... there is very little reason to hope that either of the other political parties can supply a man for this particular job as able, hard working and imaginative as the present minister."

"The appeal of the prime minister remains very strong to many people of this country, but a government cannot be judged by the dramatic abilities of its leader, or by his competence in the rough and tumble of debate. It must be judged on the basis of its acts."

> Family Herald, May 3, 1962.

Hamilton's Huge Wheat Sales

Headlines:

"A Mammoth Grain Deal" (Ottawa Citizen).

"Canada's Biggest Sale of Grain" (Toronto Telegram).

"Canada to Sell China 362 Million in Grain" (New York Times).

"\$42,000,000 Business Expected by B.C. Ports" (Montreal Gazette).

The Times of London

"A startling figure was mentioned in current reports of the volume involved but Mr. Hamilton withheld the overall figure while agreeing it would be the biggest single transaction in Canadian history."

The Ottawa Journal

"Modern kings do not lead their men in battle and modern ministers of agriculture are not expected personally to sell the produce of Canadian farmers... With the surplus such as it is salesman Hamilton would be ready to pursue Abominable Snowmen on Everest if they wanted wheat."

The Ottawa Citizen

"Some may believe that this is going to strengthen the Communist regime in China. History suggests, however, that people with full stomachs are not so easily kept in subjection as the starving. Canada need make no apologies for these enormous shipments of wheat and barley."

"Agriculture Minister Alvin Hamilton is doing an excellent job selling Canadian wheat ..."

Union Farmer

"Western agriculture has never had a better friend in Ottawa than it has in the present government. . . ."

Calgary Herald

"... A major goal of the legislation he intends to introduce will be to convert as much marginal land as possible from food production to recreational use and tree farming..."

"While waiting for the trees to grow, Hamilton has not been idle. To speed up the disposal of the nation's wheat surplus — which Harkness had been trimming at the rate of 70 million bu. a year — Hamilton has prodded the Wheat Board into sending hard-selling teams to prospective customers around the world..."

Time

"Ed Noad, reporting on the annual meeting of the Western Stock Growers' Association, commented: 'I liked the attitude of this man Hamilton (Hon. Alvin Hamilton, federal Minister of Agriculture). He stuck his neck out and gave us a speech I really appreciated about the position of the stockman today. It wasn't the publicity talk we usually get from ministers of agriculture.'"...

Westerner

"It was not just that Mr. Hamilton was a fine speaker. Indeed, to critical men like fruit growers, eloquence can be singularly unimpressive. Rather was it the tremendous background knowledge Mr. Hamilton possessed of the problem confronting the Okanagan grower."

"The growers knew, whatever their political beliefs may have been, that they had been listening to a man who not only understood them, but wanted to help them as much as he could."

Penticton Herald

Winter Works Program "Success"

The *Montreal Star* and *Herald* wrote: "aside from providing work, the whole program has proved a boon to municipal development."

The Ottawa Journal said: "there need be no reservations about the success of the program in its basic purpose — providing winter jobs."

The Saskatoon Star Phoenix wrote "the success of the program, and its expansion, is highlighted by the fact that the number of men given employment is more than double."

Under the plan, the Conservative government contributes 50% of all direct labour costs incurred by municipalities on Winter Works projects.

"Construction activity is up and the number of unemployed down in major Canadian cities, thanks to winter works projects."

The Toronto Globe and Mail, December 11, 1962.

Business Loans Welcomed

"The new plan will help all progressive small businessmen to improve their capacity for doing business provided they can prove that they are operating successfully and will do better with the help of certain capital improvements. The purpose is not to make handouts but to increase the efficiency of Canadian business at all levels. It could do a great deal for Newfoundland."

St. John's Daily News, December 1, 1960.

"Of all the measures just announced by the Diefenbaker Government to stimulate the economy, none has received or deserved a warmer welcome from MPs of all parties than that to guarantee loans to small businesses for improvement and modernization of premises and equipment.

"The surprising thing is that such aid was not available long ago....

"The excellence of the measure . . . is not contested in any quarter. It would be a sound step even in a brisker business climate."

> The Brantford Expositor, November 28, 1960.

"Guaranteed bank loans for small businesses are part of the Diefenbaker program for coping with unemployment. It is a sound proposal, dealing as it does with one of the most neglected fields of the national economy."

The Fredericton Daily Gleaner, November 25, 1960.

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SOCIAL JUSTICE 1957-62

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SOCIAL JUSTICE 1957-1962

*Social Justice includes besides programs under Department of National Health and Welfare — Veterans' Pensions, War Veterans' Allowances, Veterans' Medical and Hospitalization, Unemployment Insurance, Prairie Farm Emergency Fund and certain other miscellaneous payments and services.

Total Federal	Social Justice Paym	ents
1956-57 \$1.4 billion	1 961-62 \$2.5 billion	Increase 79%
Total Federal	Health and Welfard	

 1956-57
 1962-63 (estimated) Increase

 \$885 million
 \$1.9 billion
 115%

Total Federal Health and Welfare Payments To the Provinces

 1956-57
 1962-63 (estimated)
 Increase

 \$75 million
 \$545 million
 630%

Total Federal Health and Welfare Payments To Individuals

 1956-57
 1962-63 (estimated) Increase

 \$815 million
 \$1.4 billion
 72%

WELFARE

Old Age Security

Since the Conservative Government took office, Old Age Security benefits have increased by \$19 a month.

Effective November 1, 1957, raised from \$46 to \$55

Effective February 1, 1962, raised from \$55 to \$65

In addition, effective November 1, 1957 residence requirements were lowered from 20 years to 10 years making it easier for newcomers to Canada to qualify.

As a result of these changes and other factors such as population increase, Old Age Security expenditures, paid solely by Federal Government, have increased tremendously:

 1956-57
 1962-63 (estimated) Increase

 \$379 million
 \$737 million
 94%

 (797,486 recipients(931,393 recipients
 March 31, 1957)
 March 31, 1962)

The Conservative Government has also introduced much more generous provision for "out-of-country" benefits for Old Age Security recipients.

Effective November 1, 1957, temporary absences without loss of benefit were extended from 3 to 6 months in any calendar year.

Effective July 1, 1960, pensioners with 25 years residence after 21st birthday were permitted to receive benefits abroad indefinitely. In effect, they could live outside Canada permanently and still continue to receive their benefits.

In addition, provision was made for all pension cheques to be mailed directly to recipients at their foreign address. Previously, pensioners taking advantage of the temporary absence provisions received only the cheque for their month of departure and had to wait until their return to Canada to pick up their subsequent cheques.

OTHER PENSION PROGRAMS

The following are financed jointly by Federal and Provincial Governments and are subject to a means test. The federal share of Old Age Assistance is 50%, of Blindness Allowances 75%, and of Disability Allowances 50%.

· Old Age Assistance

Maximum benefits increased by \$19 a month since Conservative Government took office.

Effective November 1, 1957, raised from \$46

to \$55 a month, income ceilings (including pension) raised:

From	To		
single person	\$ 840	\$ 960	
married person	1,380	1,620	
married (1 blind)	1,740	1,980	
Effective February 1.	1962, raised	from \$55	

to \$65 a month, income ceilings (including pension) raised:

From	T	0
single person	\$ 960	\$1,140
married person	1,620	1,980
married (1 blind)	1,980	2,340

In the case of all Conservative increases, amount of permissible income including pension raised more than necessary to give recipient full benefit of increased rates. This is designed to encourage recipients to earn more outside income.

Effective November 1, 1957, Old Age Assistance Act was also amended to lower residence requirements from 20 to 10 years.

As a result of these changes and other factors like population growth, federal outlays on Old Age Assistance have gone up:

1956-57	(estimated) Increase
	1962-63
\$20 million	\$38 million 90%
(89,907 recipients,	(98,444 recipients
March 31, 1957)	(February 28, 1962)

Disability Allowances

Since the Conservative Government took office, maximum benefits for persons totally and permanently disabled have increased by \$19 a month. The changes are the same as for Old Age Assistance.

As a result, federal outlays on Disability Allowances have increased from:

1956-57	(estimated)	Increase
\$7 million	1962-63	
(31,835 recipients,	\$20 million	186%
March 31, 1957)	(50,029 recip	ients.
,,	March 31, 19	

5

Blindness Allowances

Since the Conservative Government took office maximum benefits for recipients of Blindness Allowances have increased by \$19 a month. The changes are the same as for Old Age Assistance and Disability Allowances except with relation to income ceilings.

Effective November 1, 1957, raised in same categories as above:

From		То
\$1,080		\$1,200
1,560		1,680
1,740		1,980
1,860		2.100

Effective February 1, 1962, raised in same categories as above:

From	То
\$1,200	\$1,380
1,680	1,860
1,980	2,340
2,100	2,460
1	

As a result of these amendments, and other factors, federal outlays for Blindness Allowances have increased from:

1956-57	(estimated)	Increase
n ja K	1962-63	
\$3 million	\$5 million	66%
(8,256 recipients	(8,573 recipie	ents
as of March 31,	as of March	
1957)	1962)	

UNEMPLOYMENT ASSISTANCE

This program is another federal-provincial undertaking with costs shared on a 50-50 basis by the two levels of government.

Effective January 1, 1958, the Federal Government substantially increased its share of costs by removing "threshold" placed by the former Liberal administration on federal contributions. Subsequently, the federal share has applied to all provincial-municipal expenditures on Unemployment Assistance (except certain items like medical care) instead of applying only on that portion above 45% of the provincial population as was previously the case.

As a result of this action, the program has finally become nationwide in scope, with Quebec entering on July 1, 1959. Under the Liberals, four provinces representing 75% of the population had refused to participate.

Since 1957, the program has provided increasingly for persons who are not in the labour market for reasons of age, disability and family responsibilities and who are experiencing the greatest need. The program also covers persons in welfare institutions, some 250,000 of whom are now being assisted.

In addition, there has been a tremendous expansion in provincial programs including not only benefits for unemployed persons not receiving other benefits but also supplementary payments to recipients of Old Age Security, Old Age Assistance, Blindness and Disability Allowances. This has meant, for example, that if a recipient of Old Age Security were receiving supplementary benefits according to need which amounted to \$20 a month, the federal treasury would pay half that amount. Thus the federal government could be contributing more than 88 per cent of the total benefit of \$85 a month, including 100% of the Old Age Security pension.

As a result of these and other factors, federal outlays on Unemployment Assistance have increased from:

(estimated)
1962-63
\$88 million
(average
monthly recip-
ients including
dependents
1962: 600,000
of which some
40,000 were
recipients of
supplementary
benefits)

Increase 1000%

7

FAMILY ALLOWANCES

Federal outlays on Family Allowances have increased:

1956-57 \$398 million (5,571,436 children in 2,326,891 families as of March 31, 1957) (estimated) 1962-63 \$536 million (6,562,287 children in 2,649,317 families as of March 31, 1962)

Increase 35%

On April 12, 1962, Minister of National Health and Welfare announced that soon-to-be appointed National Council of Welfare will be asked to consider need for increasing level of benefits under Family Allowances as well as the question of extending the age limit which such Allowances are paid in the case of children who are still attending school.

NEW WELFARE GRANTS PROGRAM

On April 12, 1962, Conservative Government introduced a far-reaching innovation in Canada's welfare structure. By 1967, a total of \$2,500,000 in federal funds will be channelled annually into three vital welfare fields:

- (1) General Welfare Services
- (2) Professional Training

(3) Welfare Research

A General Welfare and Training Grant will commence at \$450,000 for 1962-63, increase at a rate of \$450,000 annually for five years and reach a total amount of \$2,250,000 in 1966-67.

The Welfare Research Grant will begin at \$50,000 in 1962-63, increase at the rate of \$50,000 annually for five years and reach a level of \$250,000 in 1966-67.

Total money available for 1962-63-\$500,000 Purpose of new Welfare Grants Program is to strengthen existing services, increase number of trained personnel and stimulate research with a view to increasing effectiveness of cash benefit programs such as Old Age Assistance, Blindness and Disability Allowances and Unemployment Assistance. Grants will be provided to the provinces and to welfare agencies. Research Grant will be on a non-matching basis while General Welfare and Professional Training Grant will be on a matching basis with the provinces except for two of its aspects—scholarships and fellowships (including travel costs) and teaching and field instruction grants.

Grants will not be allocated among provinces but will be maintained in a central pool to be distributed on the receipt of specific projects.

FITNESS AND AMATEUR SPORT PROGRAM

Effective December 15, 1961, Conservative Government introduced first comprehensive nationwide effort to promote fitness and amateur sport in Canadian history.

Aimed at improving the fitness of all Canadians as well as the development of more and better Canadian athletes, this program will operate on the basis of \$5,000,000 annually from the federal Treasury. This is the largest amount ever allocated to fitness and amateur sport in Canada from a single public source.

In addition, annual amounts will be included in the budget of the Department of National Health and Welfare to finance the cost of federal administrative activities including salaries and travel expenses. The allocation for 1962-63 in this regard is \$102,000.

For 1962-63, one-half of the \$5,000,000 fund is being offered for allocation among the provinces. This is in line with the federal legislation and is considered the only sure way of stimulating activity at the local level where it counts most. The provincial share is to be distributed on the basis of a flat rate of \$50,000 for each province signing an Agreement with the balance being provided on a per capita basis. This would have the following effect:

Newfoundland	
Prince Edward Island	60,867
Nova Scotia	126,275
New Brunswick	112,127
Quebec	598,686
Ontario	698,643
Manitoba	145,856
Saskatchewan	145,241
Alberta	190,452
British Columbia	219,568
Yukon Territory	51,538
Northwest Territories	52,460

In announcing the new program, Prime Minister Diefenbaker called it a "people's program" in which Canadians themselves could have an important part both in terms of participation and in policy formation. The latter feature is being implemented through the setting up of a 30 member National Advisory Council on Fitness and Amateur Sport. Including individuals from all parts of Canada and a wide variety of fitness and amateur sport interests, the Council with membership rotating every two or three years will do much to ensure that the program's operation reflects the consensus of public opinion throughout the country.

In fiscal year 1960-61, Federal Government provided \$10,000 to assist Canadian Olympic Association to select the most suitable Canadian site in relation to its bid for 1968 Winter Olympics. In view of resulting choice- of Banff, grant provided under Fitness and Amateur Sport program to Calgary Olympic Development Association to assist its participation in substantial preparations involved.

Assistance required for construction work in Banff National Park now under consideration as part of budget of Department of Northern Affairs and National Resources.

PLANNING AND ORGANIZATION GRANTS TO PROVINCES \$

\$250,000

This one-time grant is being offered to assist provinces in preparations for their part in comprehensive nationwide program.

To be allocated on basis of \$15,000 per province signing an Agreement with the remainder being divided on a per capita basis.

GRAND TOTAL 1961-62: \$473,085

HEALTH

Hospital Insurance

One of the first steps taken by the Conservative Government was to bring the benefit of public hospital insurance to the people of Canada. This required an amendment to federal legislation which in its existing form was holding up all progress in this regard.

Accordingly, federal money became available on July 1st, 1958, with provincial programs coming into effect as follows:

July 1, 1958: British Columbia, Alberta, Saskatchewan, Manitoba, Newfoundland

Jan. 1, 1959:	Ontario, Nova Scotia
July 1, 1959:	New Brunswick
Oct. 1, 1959:	Prince Edward Island
April 1, 1960:	Northwest Territories
July 1, 1960:	
Jan. 1, 1961:	Quebec

The costs of the Hospital Insurance and Diagnostic Services program are shared by the federal and provincial governments, with the federal Treasury contributing 50 per cent of national costs. By the end of fiscal 1962-63, the Dominion Government will have contributed over \$1 billion to this historic health measure. This will have been allocated among the various provinces according to the following estimates:

Nova Scotia	44.3	million
New Brunswick	33.5	"
Quebec	169.9	"
Ontario	391.5	"
Manitoba	64.3	"
Saskatchewan	70.1	"
Alberta	87.0	"
British Columbia	110.7	<i>II</i> -
Northwest Territories	1.1	"
Yukon	.8	"

TOTAL \$1,014.0 million

Hospital Construction Grants

Effective January 1, 1958, the Conservative Government more than doubled annual allocations, provided through the provinces, to assist with the provision of hospital and related facilities. It also extended these Grants to two new areas: renovation of existing hospital facilities and residences for internes.

- --Grants were raised from \$1000 to \$2000 per bed for active treatment beds or bed equivalents (i.e. 3 bassinets or 300 sq. ft. of floor area).
- -Grants were raised from \$1500 to \$2000 per bed for chronic, convalescent, mental and tuberculosis beds.
- -Grants were raised from \$500 to \$750 per bed in nurses' residences.
- -New Grants of \$750 per bed were provided for internes' residences.
- --New Grants for renovations were provided up to one third of total cost.

These changes have had the following effect on federal expenditures for hospital construction:

 1956-57
 1962-63 (estimated)
 Increase

 \$11 million
 \$20 million
 82%

Other National Health Grants

In line with its changes in grants for hospital construction, the Conservative Government, effective 1960-61, revised allocations among other health grants to gear them more closely to current needs and conditions. As a result:

- --Grants for General Public Health for 1962-63 are \$14.5 million as against \$7.8 million in 1956-57.
- -Grants for Medical Rehabilitation have increased from \$1 million to \$2.6 million.
- -Grants for both Professional Training and Public Health Research have been more than tripled, standing at \$1.8 million respectively.
- -Grants for Mental Health have gone up from \$7.2 million in 1956-57 to \$8.8 million in 1962-63.

Queen Elizabeth II Fund

To commemorate Royal Visit, the Conservative Government in June 1959, established a \$1 million fund to aid in research on children's diseases. This has been utilized mainly to support individuals doing research on causes, prevention and treatment.

Food and Drug Act Amendment

To combat illicit traffic in "goofballs" (barbiturates and amphetamines), the Conservative Government in May 1961, took steps to tighten up controls in legal distribution and also to establish offences for trafficking and possession for trafficking.

New Narcotic Control Act

Also in May 1961, a new Narcotic Control Act was introduced to provide for greater flexibility in controlling the legal distribution of narcotics and impose stiffer penalties for trafficking. A new feature was the first comprehensive approach to the treatment of addicts to be carried out in cooperation with the Department of Justice and provincial authorities.

Indian and Northern Health Services

Under the Conservative Government substantial progress has taken place in the provision of health care for members of Canada's native population.

Annual expenditures have increased from \$18.8 million in 1956-57 to \$23.2 million in 1962-63. Staff has been increased by the addition of some 700 doctors, nurses, and other personnel, and facilities have also been extended by the provision of 13 new hospitals, clinics, nursing stations and health centres.

PENDING DEVELOPMENTS

Contributory Pension Program

Following the study carried out by Dr. Robert Clark of American social security provisions, the Conservative Government announced in the Speech from the Throne, January 1962, its intention of introducing a contributory plan over and above present programs. This would provide benefits for all at age 65 with the possibility of commencement at age 62 under certain circumstances.

Because the program would also provide benefits to survivors, for disability and portability of pension rights — none of which are presently within federal jurisdiction—the Conservative Government has written the provinces seeking their agreement to a constitutional amendment to make this program possible.

Medical Care Program

On December 12, 1960, Prime Minister Diefenbaker announced the appointment of a Royal Commission to investigate the need for further action in ensuring the best possible health care of all Canadians.

The Commission is headed by Chief Justice Emmett Hall of Saskatchewan and comprises a distinguished group of Canadians from many walks of life including those fields most directly related to the matter of health care.

At a time when one provincial government was meeting substantial difficulties in attempting to introduce public medical care, the Conservative Government took the position that a good deal of further information and study was necessary so that when further steps were initiated on a nationwide basis they would be truly effective and in the best interests of all concerned.

National Council of Welfare:

As announced in the Throne Speech of January 1962, the Conservative Government appointed a National Council of Welfare to advise the Minister of National Health and Welfare in a similar manner as the Council of Health.

One of the first tasks of the Council which will comprise provincial and federal Deputy Ministers of Welfare as well as other nongovernment experts, will be to work out details of the new Welfare Grants program. It will also be asked to consider a new and integrated approach to public assistance, the adequacy of present provisions for the blind and disabled and the need for raising the level of benefits under Family Allowances as well as the question of extending the age limit at which such Allowances are paid in the case of children still attending school.

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TRADE AND COMMERCE

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TRADE AND COMMERCE

0.16 "Canada's total trade in 1962 with all countries was estimated at 12.6 billion, the highest amount ever reached..."

-a simple statement of fact from the Dominion Bureau of Statistics Daily Bulletin of February 11th, 1963.

A Canadian Press story in the Ottawa Citizen the same day headlined—

"For The Second Time In A Decade Canada Had A Trade Surplus Last Year..."

"Statistics today reported an overall gain in total trade of 8% to \$12.6 billion. Exports advanced 7.7% to \$6,347 million."

"All figures are record highs."

"The devalued dollar pegged in mid-May at 92½ cents in terms of the U.S. dollar was attributed by the Bureau for part of the increase..."

Employment

More Canadians are at work than ever before—6.2 million in 1962—and the rate of unemployment in the past number of years has been consistently lower than the rate of unemployment in the United States.

National Production

The total value of national production has increased from \$30 billion in 1956 to \$40 billion in 1962—three years ahead of the forecast of the Gordon Royal Commission on Canada's Economic Prospects that in 1965 Canada's total national production would be in the neighbourhood of \$39.5 billion.

As Labour Minister Mike Starr said in the House of Commons—"We are three years ahead of this forecast as a result of the measures taken by the government."

Personal Income

In the third quarter of 1962, personal income was running at a national total of 330.5billion—40% higher than total personal income in 1956.

Weekly Wages and Salaries

Weekly wages and salaries in November, 1962 at \$81.58 were up \$17.14 from November 1956—an increase of 28%.

Gas and Oil Industry

Canada's gas and oil producers earned record dollar revenues in 1962—\$750 million. Oil output was up 15% over 1961 and natural gas sales were up a whopping 40%.

The publication, Business Week says ----

"Canada's national oil policy started in 1961, has given new life to the industry."

In its November 10th, 1962 issue the business publication declares that the joint government-industry policy has paid off.

"Production is up 37%" and

"Exports have shown a fantastic 108% rise."

Motor Vehicle Production

Canadian automobile manufacturers were hard pressed to fill orders in 1962—a record year for the industry. Total production in 1962 was up 31% over the previous year.

Steel Production

Production of steel ingots—one of the key indicators of the economic health of manufacturing—was up by 11% over 1961 and production of pig iron was up 7%.

Industrial Production

Industrial production in 1962 was up 8% over the previous year—a record for the industrial nations of the free world.

Cost of Living

United States President, John F. Kennedy, said on January 22nd, 1963-

"With the single exception of Canada, the United States last year had the best record of price stability in all the industrialized world."

Canadian Business magazine reports that a 12-nation comparison of retail price increases shows that Canada has been the most successful in keeping down the cost of living. The Canadian increase was just under 1%. The United States' was a shade more. Biggest increases were in France, Holland, and the U.K. where the cost of living rose by over 5%. In Germany and Sweden it rose by 4%.

Dollar Pegging

Canadian industry has benefited in increased production and increased sales as a result of the government's pegging of the dollar.

The Toronto Globe and Mail reported Canadian truck manufacturers are scrambling to build more of their products in Canada.

Beginning in 1963, General Motors is building heavy duty diesel trucks in Canada for the first time.

Ford is building its heavy duty tandem series in Canada as well as heavy conventional trucks.

The tourist industry in Canada enjoyed its greatest single year in history in 1962.

The latest available figures for the first nine months of 1962 indicate \$61 million more in tourist revenue compared with the first nine months of 1961,—an increase of 15%.

R. M. Fowler, President of the Pulp and Paper Institute of Canada said that dollar pegging would bring more than \$125 million in additional revenue to the industry in 1962.

Dollar pegging has brought an extra 16

cents a bushel to wheat farmers and an additional \$22.50 for an average dressed animal to beef producers.

Canada's machine tool industry has had its best year since World War II, industry spokesmen said at their Annual Meeting. One manufacturer told of selling \$250,000 worth of machine tools formerly imported from the United States and said that he was now selling the same tools in the United States competitively. Another manufacturer said "our problem now is meeting deliveries and finding more space."

Dollar pegging has brought new investment into Canada. Major Industrial Commissions report that inquiries about new plants have tripled.

A Progressive Conservative Government has revolutionized Canada's Trade and Commerce policies.

New markets have been opened.

We have regained markets lost during Liberal years.

Progressive Conservative leadership has developed a new outlook among Canada's businessmen. One result: In 1961 and again in 1962, Canada exported more in goods than we imported—our first favourable trade balances in 10 years.

At home, business investment, expansion and initiative are encouraged by these new arms of trade and commerce,—a new small business branch, a new design branch, small business loans, a standards branch, national and provincial trade and industrial promotion conferences.

Tax incentives have been introduced.

The Progressive Conservative National Development program is opening new resource areas. Special enouragement is being given to processors, manufacturers and secondary industries generally.

The Progressive Conservative government has established a new concept of team work and co-operation between Government and private enterprise.

Farm Income

Total net income per farm was up a whopping 80% in 1962—\$3,440 per farm compared with \$1,911 in 1957.

Farm cash income at more than \$3 billion reached an all time record high in 1962.

Aggressive export sales policies have made Canada the leading wheat seller in world markets. At the same time, Canada has increased her share of commercial world wheat markets from 30% to 35%.

Inflation

The Progressive Conservative Government has driven down inflation. Between 1945 and 1957 the domestic value of the dollar dropped by 38 cents—more than three cents a year. In the last four years, the rate has averaged about 1.2 cents a year and is currently running lower than that.

As was mentioned earlier, in 1962 Canada achieved the best price stability of any industrialized nation in the world.

Export Credits Insurance

The Progressive Conservative Government established the Export Finance Corporation to extend medium term financing to exports. Additional long-term financing of capital goods for exports was provided under the Export Credits Insurance Act.

The government increased the amount of money available from \$100 million to \$300 million and in 1962 indicated it would be necessary to further increase the total money available to \$400 million.

Small Business Loans

For the first time, a Progressive Conservative Government has extended government assistance and encouragement to Canada's small businessmen by establishing special small business loans.

In little more than a year of operation, more than 5,000 Canadian businessmen borrowed more than \$45 million for expansion and modernization.

A fund of \$300 million was created for small business loans.

Industrial Development Bank

The lending resources of the Industrial Development Bank have been enlarged from \$150 million to \$400 million. All Canadian businesses are now eligible for I.D.B. loans. Under the Liberals, the Bank was barred from lending to retail firms, transportation companies, service establishments, construction companies, and such primary undertakings as mining or logging firms.

As a result the I.D.B. has become a more effective instrument for making available financial assistance to small and medium size Canadian businesses. The Bank's ability to make loans and to give technical as well as managerial advice to small and medium size businesses has been substantially enlarged and is of great value.

Compared to 1957, when 400 loans totalling \$30 million had been made, 1,365 loans totalling \$71 million were made in 1961. In 1962, more than 2,000 loans totalling almost \$92 million were made.

New Trade Offices

New trade offices have been established in Vancouver, Winnipeg, Halifax and Saint John, and they are planned for Montreal and Toronto.

A new position of Assistant Deputy Minister for Commodities and Industry Service was established, to supervise these offices, and direct commodities, export promotion, export control, trade services, industrial liaison and product research and development.



TRANSPORT

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Air Transport

Under a Progressive Conservative Government, airport construction has reached the highest level in the history of Canadian aviation.

In 1958 the Progressive Conservative Government launched an imaginative \$1 billion program designed to furnish Canada with a network of airports and airways equal to those of any other country in the world.

The program has already been completed to a major extent. Modern new terminal buildings have been completed at St. John's and Gander in Newfoundland; Halifax, N.S.; Montreal and Quebec City, P.Q.; Ottawa and Windsor, Ont.; Regina, Sask.; and William Lake, B.C.

New airports are being built at Sault Ste. Marie and Prince Rupert. Major works at North Bay and Port Hardy, B.C. are already underway and completion is expected in 1962. New airports for Penticton and Victoria, B.C., Lakehead and London, Ontario, Fredericton, N.B., Yellowknife and Whitehorse are well along in the planning and designing stage.

One of the largest and most modern air terminal buildings in the world was recently opened at Montreal.

Acceleration in the terminal construction program is resulting in major International Airports at Toronto, Winnipeg and Edmonton. These international terminals are of the multimillion dollar type and require longer periods to complete, but work is proceeding on schedule. One of the more recent additions to the list is a new terminal for Vancouver, B.C. This terminal will be for the use of international traffic and it is receiving extensive study.

All of the above-mentioned projects incorporate major runway construction. In addition, there are several dozen runways, taxiways, extensions and improvements which are now being pushed for early completion at other points from coast to coast. Last year a total of 33 runway projects was completed and work was underway on another 36 runways from the Atlantic to the Pacific—and above the Arctic Circle in the far north.

Improved Navigational Aids

A chain of air traffic control radar units stretching from Halifax to Vancouver—has been completed, providing complete radar coverage from coast to coast.

A system of high altitude airways control has been adopted. Plans have been made for the installation of secondary radar.

Numerous types of more refined techniques are currently under study, such as the use of closed circuit television for identification purposes.

All of these steps have been taken by the Progressive Conservative Government with one goal in mind—the greatest possible protection for the air traveller in the age of the jet aircraft.

Airline Competition

For the first time, a Progressive Conservative Government has established a policy of competition in the field of civil aviation. This policy recognizes and accepts the principle of domestic competition where economic conditions warrant it.

First steps have already been taken by granting Canadian Pacific Airlines the right to operate two Trans-Continental flights a day.

Action has been taken by the Progressive Conservative Government to expand competition in the field of charter service—to provide better and cheaper service for Canadians.

As a direct result of this new policy, 143 new operators have been licensed—thus bringing service to a great many people. In all the years previous only 75 operators had been licensed.

Coast Guard

For the first time, as a result of Progressive Conservative Government action, Canada has an adequate sea search and rescue service. More than 150 vessels owned and operated by the Federal Government together with two patrol cutters on each coast and two in the Great Lakes, will be coordinated under one unified command.

This new Coast Guard service is the second largest in the world.

Ship Construction Program

A greatly expanded Government shipbuilding program has given impetus to the Canadian shipbuilding industry at a time of need. By the end of 1962 total funds spent amounted to \$95 million.

Many of the units of the Department of Transport fleet which had become obsolete were replaced. New ships were added to the fleet, ranging from landing barges to icebreakers equal in size to any in the world.

All of these projects have been adopted with one objective in mind maximum assistance to navigation.

Aid to Shipbuilding

The Progressive Conservative Government has taken broad action to financially assist ship-operating and shipbuilding industries in Canada.

Because of lower construction costs in other countries, there has been an increasing trend towards construction of Canadian ships elsewhere.

Under the plan adopted, the Progressive Conservative Government will:

- 1) Pay 40% of the cost of Canadian ships built in Canadian yards, for 2 years, 35% from then on;
- 2) Bar foreign ships from carrying cargoes between Canadian ports on the Great Lakes;

- Pay an increase of from \$165 to \$250 per ton for construction of wooden fishing vessels over 45 feet long;
- 4) Pay 50% of the cost of new steel ships to replace old wooden ships in Canada's fishing fleets.

"This is wonderful news."

R. W. Sutton, General Manager,

Kingston Shipyards.

"The best news we've heard in years." Fred Rhuland.

Lunenburg, N.S.

"That's terrific."

A spokesman for the Seafarers

International Union.

In the 18 months the program has been in operation employment in the shipbuilding industry has more than tripled.

More than 165 projects totalling \$169 million are underway and projects totalling another \$25 million are ready to go.

More than 20,000 new jobs have already been created and the projects ready to go will provide another 3,000 jobs.

Transport Minister Léon Balcer said that this imaginative program will involve the expenditure of millions of dollars but that the Government does not intend to set limits on the assistance. The new program will be of tremendous benefit to operators, shipyards, suppliers and especially to the ranks of labour.

Northern Transport

The Progressive Conservative Government decided, on assuming office in 1957, that water transport of cargo to the various military bases in the northern region should be performed with Canadian resources and Canadian equipment. Up to that time, this northern transport had been performed by the United States Government.

In the past five years, the take-over has been completed; today, Canadian commercial operators with the assistance of Government personnel and specialized equipment, such as icebreakers, perform the entire operation. Tonnage transported each year exceeds 100,000 tons.

This take-over has resulted in the capture of millions of dollars of business each year for Canadian ship owners, supply agencies and stevedoring companies. These sea lift operations provide employment for more than 1000 men.

Ports

The greatest port expansion program in the history of Canada is nearing completion.

At Montreal, expansion of shed and wharf facilities has been completed and other equipment has been installed to meet the growing demand of overseas and inland shipping. Grain elevator facilities are being expanded by the construction of a new 5.5 million bushel capacity grain elevator.

At Quebec, construction of a new wharf at St. Charles River Estuary commenced in the Spring of 1961. The present plan for land development in this area will ultimately provide approximately 3.5 million square feet of harbour facilities for rental to commercial firms. Reconstruction of Wharf No. 19 was completed in 1960. Work on the reconstruction of Berth 26 at a cost of \$900,000 began in August, 1961.

At Saint John, N.B., work is underway on reconstruction which when completed will provide two berths for ocean shipping.

At Halifax, the reconstruction of Pier 9 is nearing completion.

At Churchill, dredging and work on a wharf extension is underway and construction of a new tug to replace the "Graham Bell" is underway.

The Progressive Conservative Government is calling for tenders for a \$17 million dredging program in the St. Lawrence River in the Montreal Harbour and below Three Rivers, as well as in the Saguenay River. The project will be carried out over a three year period.

At Vancouver, a new shed and four cargo cranes on Centennial Pier have been added to the facilities available to ocean and coastal shipping. In the past three years, \$10.1 million has been spent for capital construction and maintenance costs at Vancouver.

At Three Rivers, the construction of Shed 9 is nearing completion.

Railways

The construction of new railway branch lines to assist in the development of areas rich in resources in the last five years exceeds railway construction undertaken elsewhere in North America.

More than 300 miles of rails were laid in Quebec to assist in the development of large mineral bodies in the northern part of the province. Between Beattyville, Caché Lake and Chibougamau, a total of 161 miles was completed in 1957 and the 133 mile section between Caché Lake and St. Félicien was completed in 1959.

A total of \$7.5 million was spent to construct a 52-mile line between Optic Lake and Chisel Lake in northern Manitoba. Here again the project is aimed at expediting development of mineral deposits.

A further \$8.5 million has been earmarked for another line in the province of Quebec. In this case the line will extend from the Beattyville-Chibougamau line to Mattagami Lake—a distance of 60 miles.

Another 58 mile extension will be constructed in the Gaspé Peninsula linking Matane and St. Anne des Monts.

A 23.2 mile branch line will be constructed Northwest of Edmonton to assist in mineral development.

Pine Point Railway

A railway to link the settled areas of Alberta with the shores of Great Slave Lake had been promised by the Liberals as far back as 1926.

A Progressive Conservative Government is building a rail line between Grimshaw and Great Slave Lake, a distance of 438 miles. Construction of this \$75 million railway line will mark a further step in the implementation of one of the major objectives set by the Progressive Conservative Government when it took office—the development of Canada's rich northland.

Freight Rates

A Royal Commission was appointed to study and report on railway transportation problems, including inequalities in freight rate structures. Pending the completion of this comprehensive study, the Progressive Conservative Government took interim action. A total of \$105 million has been provided by the Government to lessen the effect on the public of the increase in non-competitive freight rates.

Improvement of Railway Crossings

The \$5 million annually provided for railway crossings has been increased by \$10 million a year by a Progressive Conservative Government. This permits larger contributions for protective works, as well as payment towards the cost of placing reflectors on crossing signs and on railway cars. The beneficial aspect of this policy is demonstrated by the 1800 projects approved for Government assistance in 1962.

These projects provide greater protection and convenience to the public at railway crossings.

Telecommunications

Unprecedented expansion has occurred in the field of communication services in the past five years of Progressive Conservative Government.

New coast-to-coast radar coverage for air navigation and new precise navigation aid for shipping on the east coast and gulf areas have been installed.

Preferred attention is being given to extension of instrument landing facilities in the equipping of major airports with precisionapproach radar.

Canada has assumed a prominent role in the field of international communication. Canada is providing \$42 million towards the cost of an around-the-world telephone and telegraph cable system which member countries of the Commonwealth are now constructing. Another very significant development designed to keep Canada in the forefront in the field relates to outer-space satellites, in which area Canada is working in close collaboration with the United Kingdom.

The Progressive Conservative Government is doing its utmost to encourage expansion in the field of broadcasting. In the short period of five years, 34 television stations, 26 satellite stations, 49 radio stations, and 32 relay stations have been licensed. In addition to these new installations, no less than 137 sound and T.V. outlets have been granted authority to increase power and coverage.

Meteorological Services

Canada's meteorological services have made the greatest advances in Canadian history in the past five years.

The services of the Department of Transport have expanded to such an extent that there is now complete coverage of all arctic coastal waters, as well as Hudson Bay, East Coast, Gulf of St. Lawrence and Great Lakes areas.

Progressive Conservative Government action has contributed immensely to the safety of navigation in ice-infested waters. The Department of Transport has embarked on a program to install weather radar covering coastal areas and the more heavily-populated areas of Canada. This service will benefit both the general public as well as shipping, aviation, agriculture, forestry and fishing industries.

The jet age of aviation has magnified the task of providing dependable weather information for the safety and protection of the air traveller. To cope with this problem, numerous types of new equipment are being installed by the Meteorological Services.

Railways

To provide broader representation on the Board of Directors of the Canadian National Railways, legislation to increase the number of directors has been enacted.

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VETERANS AFFAIRS

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DEPARTMENT OF VETERANS AFFAIRS

Total Veterans' Benefits have been increased by 52.5% since the last year under the Liberals—from \$200 million in 1956-57 to \$305 million in 1962-63.

Disability and dependent pensions have been increased by 37%—from \$130 million in 1956-57 to \$178.7 million in 1962-63.

Payments under the War Veterans' Allowance Act have been increased by 95%—from \$41.3 million in 1956-57 to \$80 million in 1962-63.

Payments from the Assistance Fund under the War Veterans' Allowance Act have been increased by 404% — from \$742 thousand in 1956-57 to \$3.7 million in 1962-63.

Loans and grants, under the Veterans' Land Act, have been increased by 94%—from \$20.9 million in 1956-57 to \$40.8 million in 1962-63.

Increased Pensions

Disability and dependent pensions have been increased by 37%—\$130.3 million in the last year under the Liberals compared to \$178.7 million in 1961-62.

The Progressive Conservative Government has amended the Pension Act twice—in 1957 and again in 1961. On both occasions the increases were 20% of the rates of pensions previously in effect, except that the 1961 amendments also provided for higher increases for children. A 100% pensioner now receives \$2160 per year or \$180 a month. If he requires medical attendance because of the nature of his disability, an additional allowance of up to \$1800 may be paid. Prior to 1957, a single veteran with a 100% pension received \$1500 and an additional allowance of only \$1400, if required.

A married veteran with two children who receives a 100% pension now receives \$3444 per year or \$287 per month. He also receives \$192 for each additional child. The comparable rates in effect five years ago were \$2460 per year and \$144 for each additional child. Widows' pensions are now \$138 monthly compared to \$100 a month in the last year under the Liberals. A widow with two children now receives \$232 per month compared with \$170 a month in 1956-57.

The regulation barring the payment of pensions to widows of World War I veterans who remarried after April 30th, 1944, was revoked.

One important amendment provides for the payment of the pension to the end of the month in which a child reaches age 16, if a boy, or 17, if a girl.

The pension may be paid to any person who is competent to assume the care of the children of a widow who has died.

Canadians who served in the Allied Forces may now have their pension supplemented to Canadian rates wherever they choose to live. Claimants for pensions who have been rejected by the countries in whose forces they served, may now have their claims considered by the Canadian Pension Commission. If a claim is allowed, they receive pension at Canadian rates, regardless of where they choose to reside.

Previously pensions awarded to such veterans could only be supplemented while they resided in Canada. Claims for pension could be made only to the Governments of the country they served.

In preparing and presenting claims for pension to the Canadian Pension Commission, applicants are entitled to legal service from the Department of Veterans' Affairs without charge.

Increased War Veterans Allowances

Total payments under the War Veterans' Allowance Act are up 95% compared to the last year under the Liberals—\$80 million in 1962-63 compared to \$41.3 million in 1956-57.

The rates for single veterans were increased from \$60 per month to \$84 per month and income ceilings were raised from \$840 to \$1296. The rates for married veterans were raised from \$108 per month to \$144 per month and income ceilings were raised from \$1440 to \$2088.

Rates for two orphaned children were increased from \$70 to \$94 a month and income ceilings were increased from \$1200 to \$1440. Rates for three or more children were increased from \$85 a month to \$126 per month and income ceilings were increased from \$1440 to \$1800.

The amount of equity a veteran may have in his home has been increased by 50%—from \$6000 to \$9000. The amount of personal property he may own has been increased by 25% —from \$1000 to \$1250 for single veterans and from \$2000 to \$2500 for married veterans.

Residence requirements for allied veterans and their widows were reduced from 20 to 10 years. This made eligible widows who had previously been excluded because their husbands had died before completing the required period of residence in Canada.

World War I veterans who did not get beyond Britain but who served at least 365 days including sailing time to and from, before November 12th, 1918, were made eligible. An estimated 1,150 veterans and dependents now receive allowances as a result of this measure.

Veterans of the South African War are now eligible if they embarked for South Africa prior to June 1st, 1902. Previously it was necessary to have landed in South Africa prior to that date and this excluded many who were en route by sea at that time. Widows and orphans of these veterans may be awarded allowances without returning to Canada if they otherwise qualify.

Veterans Land Act Amended to Meet Changing Times

The Veterans' Land Act was amended to increase the amount of loans available to veterans wishing to establish themselves as farmers, commercial fishermen and small holders. Veteran farmers may now borrow up to \$20,000 while commercial fishermen and small holders may borrow up to \$12,000. Veterans already settled as farmers may increase their loans up to the maximum.

The repayment period for loans was increased from 25 to 30 years.

Advances for home construction on small lots were raised from \$8,000 to \$12,000.

In 1961 the minimum acreage for a small holding was reduced from 2 or 3 acres to $\frac{1}{2}$ an acre. This change had long been sought by veterans who had been consistently denied by the previous Liberal Government.

Hospital and Medical Care

The Veterans' Treatment Regulations were amended to provide free treatment for those veterans whose adjusted annual income is below \$1296.

Since 1957, new wings, replacing obsolete accommodation, have been provided at veterans hospitals in Winnipeg, Vancouver and London. New service buildings have been built in Victoria and Vancouver. A veterans' pavilion, long sought by Newfoundland veterans, is being built in St. John's. Plans are being made to modernize Queen Mary Veterans' Hospital in Montreal.

The Progressive Conservative Government will continue its program for the replacement of obsolete hospital accommodation until all of Canada's Treatment Centres for Veterans have been brought up to modern standards.

Education Assistance

The monthly allowance for children of war dead was increased from \$25 to \$79 a month.

Social Justice

Almost immediately after forming the Government in 1957, Prime Minister John Diefenbaker announced that all of the legislation which makes up the Veterans' Charter would be reviewed and amended to meet the changing times and conditions faced by veterans. The record of the Progressive Conservative Government is solid proof that excellent progress is being made with this review. The Government will continue to review and amend Veterans' Legislation to keep it a dynamic program for Canada's veterans, their widows and orphans.

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