SECOND DISTINCT SITTING

2:45 p.m.

The Honourable MARK ROBERT DROUIN, Speaker.

The Members convened were:—

The Honourable Senators

Aseltine, Croll, Inman, Pratt,
Baird, Davies, Irvine, Quart,
Barbour, Dessureault, Jodoin, Roebuck,
Beaubien, Drouin, Kinley, Savoie,
(Bedford), Dupuis, Lambert, Smith
Bishop, Emerson, Lefrançois,
Blais, Farris, Leonard,
Blois, Gershaw, Macdonald
Bouffard, Gladstone, (Brantford),
Bradley, Gouin, MacDonald
Brunt, Grant, McDonald,
Buchanan, Hayden, McGrand,
Burchill, Higgins, Methot,
Cameron, Hnatyshyn, Molson,
Choquette, Hollett, Monette,
Connolly, Horner, Paterson,
(Halifax North), Howard, Pearson,
Connolly, Hugessen, Pouliot,
(OTTawa West), Power,
Honourable Members of the Senate:

Members of the House of Commons:

I welcome you as you resume your Parliamentary duties.

We look forward to the presence this summer of Her Majesty the Queen Mother, who for many years has endeared herself to the hearts of all Canadians. We shall also have the pleasure of receiving Their Royal Highnesses the Duke of Edinburgh and the Princess Royal.

During the past year, I have visited several Provinces and made an extensive trip to the Northwest Territories. The great North brought home to me the vastness, the far horizons and the beauty of our country. Flying over it, I thought of the wonderful heritage which Providence has entrusted to us. May we be worthy of this stewardship.

While the world outlook contains elements of continuing danger, there are some grounds for cautious optimism. Major military conflicts have been avoided and the processes of conciliation and negotiation are in progress or in prospect on many of the important international issues. The Canadian Government remains devoted to peace as its primary objective.

Recurrent Soviet pressure on Berlin makes it necessary for the Governments of the North Atlantic Alliance to reconcile the preservation of essential rights and interests with a constant readiness to discuss and enter into equitable and safeguarded engagements. My Government has consistently worked towards that end, and approves the resumption of preliminary talks with the U.S.S.R., the success of which will depend on Soviet good faith.

In other areas of tension, Canada has been prominent in international efforts to relieve political, economic and administrative strains which have sometimes accompanied the transition from dependent to independent status of new nations. International peace-keeping arrangements continue to warrant effective Canadian support.

International agreements on measures of controlled disarmament remain vitally necessary if the world is to be freed permanently from the menace of war. As a member of the expanded disarmament committee recently reconstituted, my Government supports the decision to resume disarmament negotiations in March.

The Commonwealth continues to grow as an important instrument for freedom and peace, linking five continents and people of many races. The strengthening of this association is a primary objective of my Government. During 1961, Canada joined in welcoming Cyprus, Sierra Leone and Tanganyika to full membership in the Commonwealth.

My Government derives particular satisfaction from the endorsement by the United Nations of a World Food Programme sponsored by Canada, for which you will be asked to authorize a contribution.

You will also be asked to appropriate funds to maintain Canada's external aid programme.

Canada's diplomatic representation has been expanded in the Commonwealth, in the French-speaking countries of Africa, and as well in Latin America and in Asia.

While striving to reduce international tensions and promote the peaceful settlement of international disputes, my Government still considers it necessary to provide the support required to strengthen and maintain the defence forces necessary to continue an active role in the North Atlantic Treaty Organization.
Important negotiations are now under way between the British Government and the European Economic Community following the decision of Britain to ascertain whether terms can be negotiated on which it might become a member of that Community. My Ministers are following these negotiations carefully, having in mind that their outcome should give full recognition of the vital interests of the Commonwealth and to Canada's position and interests as a major trading nation.

My Government in recent international meetings has reiterated its support for the expansion of world trade on a multilateral non-discriminatory basis and its readiness to play a constructive role in the promotion of world trade. It stands ready to work with other countries in the pursuit of this goal.

My Government plans to recommend to you a number of measures that will constitute further steps in working out the purposes of Confederation and identifying more clearly the Canadian nationality in various aspects of public and business affairs. With this purpose in mind, you will be asked to give effect, with modifications, to the recommendations of the Royal Commission on Publications.

By means of conferences with representatives of Provincial Governments, progress has been made toward agreement on a means of amending our constitution in Canada, which would be the final step to bring our formal legal position into line with reality. A formula to accomplish this purpose has been sent to Provincial Governments for their consideration.

Legislation will be proposed to require reports to be submitted by business and labour organizations concerning the extent and nature of their operations and whether, and to what extent, they may be owned or controlled outside Canada.

A measure relating to the Senate will be placed before you.

My Government will ask you to take steps to ensure that the forthcoming redistribution of electoral districts is made in an equitable manner upon an objective basis. To this end you will be asked to approve for the first time in our history a measure to create an independent commission to recommend the changes required in the electoral districts as a result of the decennial census.

Comprehensive measures to put into effect my Government's economic policies were enacted in preceding sessions of this Parliament. The benefits flowing from these policies are now evident in record levels of employment, of production, and of export trade. There has been a substantial improvement since last year in the unemployment situation. As the result of the efforts of my Government through its municipal winter works incentive programme, notable progress has been made in meeting the recurrent problem of seasonal unemployment. The Government has already announced its intention of asking you to approve another and larger programme of assistance to municipalities for winter works projects.

Further measures to stimulate economic activity and promote national development will be placed before you this session. One of these will be the construction of a railway in the Gaspe Peninsula from Matane to Ste. Anne des Monts. Another will be the construction of a floodway and other works to conserve and control the waters of the Red and Assiniboine Rivers in Manitoba, for which agreement has now been reached with the Province regarding the division of costs.

Other measures which will help to enlarge employment by stimulating economic activity will include a bill to increase the total amount of financing of exports which can be undertaken by the Export Credits Insurance Corporation and an amendment to broaden the scope of the Small Businesses Loans Act.
The success of the recent "Resources for Tomorrow" Conference demonstrated the benefits of cooperation between governments in this field. My Government, in consultation with the Governments of the ten Provinces, is examining suggestions made at that Conference for cooperative measures to encourage the wise management and multiple use of Canada's natural resources.

The provision of low-cost electric power is one of the most important factors in the economic growth and industrial development of Canada. As a further step in the national development policy, my Prime Minister has invited the Provincial Governments to join with the Federal Government in early discussions of the steps that might be taken toward the establishment of long-distance power transmission to link Provinces and eventually the different regions of Canada.

You will be asked to provide for an expanded programme of encouragement to scientific research by industry in Canada.

A bill will be placed before you intended to enable Canada to participate effectively in arrangements for reinforcing the International Monetary Fund when additional resources are required to maintain stability in exchange markets in the face of substantial capital movements.

The maintenance of fair prices for farm and fishery products also continues to be a matter of prime concern to my Government and you will be asked to provide the funds necessary to sustain the price stabilization policy. My Ministers have achieved a gratifying success in finding markets for grain and thereby reducing surplus stocks. The drought in the Prairie Provinces during 1961 has resulted in severe losses, however, and you will be asked to provide assistance by means of acreage payments to the farmers who have been affected. Legislation will also be proposed to extend the period of application of the Farm Improvement Loans Act and the Fisheries Improvement Loans Act.

Important measures in the field of social welfare will also be proposed at this session. Your approval will be requested for an increase in the amount of the universal old age pension payable under the Old Age Security Act, and also for legislation to increase the amount to which the Federal Government will contribute under the Old Age Assistance Act, the Blind Persons Act and the Disabled Persons Act. After the concurrence of the Provinces for the necessary amendment to section 94A of the British North America Act has been secured, Parliament will be asked to approve a constitutional amendment in order to permit the introduction of a contributory system of old age pensions and related survivors' and disability benefits which will be in addition to the existing old age pension legislation and will take into account private pension arrangements and the need for legislation concerning portability of pension rights.

You will be asked to authorize the establishment of a national Council of Welfare similar to the Council of Health which has had a long record of usefulness.

You will be asked to approve an amendment to the Civilian War Pensions and Allowances Act to authorize the payment of allowances under specified conditions to merchant seamen, fire-fighters, foresters, members of voluntary aid detachments and certain other civilians whose war services overseas have
been recognized in other respects. Other amending bills will provide for increased allowances and other improvements in the Children of War Dead (Education Assistance) Act and also for the extension of the effective period of the War Services Grants Act and the Veterans Insurance Act and for the extension of the qualifying period under the Veterans Land Act.

My Government will also ask you to appropriate monies required in the Unemployment Insurance Fund to safeguard the rights of workers until the report of the Special Committee inquiring into the unemployment insurance programme has been received and can be acted upon.

You will be asked to increase the Federal grants to universities and make suitable provision in those cases where alternative arrangements are made for supplementary Provincial grants in lieu of Federal grants.

My Government is initiating negotiations with the provincial and municipal authorities with a view to removing the tolls on the Victoria and Jacques Cartier bridges in Montreal; should these be successful you will be asked to approve legislation for this purpose.

You will be asked to authorize the institution of an automobile ferry service between North Sydney, Nova Scotia, and Argentia, Newfoundland, and to provide for the construction of the necessary vessel and docks.

Other measures will be introduced to amend the Broadcasting Act, the Canada Shipping Act, the Canadian National Railways Capital Revision Act, the Bankruptcy Act and a number of other statutes. You will be asked to approve the ratification of the Universal Copyright Convention.

Members of the House of Commons:

My Government intends to ask you to reconstitute the Special Committee on procedure of the House and request it to make recommendations on the elimination of closure of debates in the House of Commons.

The estimates required for the Public Service and for payments authorized by Parliament will be laid before you.

Honourable Members of the Senate:

Members of the House of Commons:

I pray that God in His wisdom may grant you light and grace in your deliberations and the fulfillment of your duties.

The Commons withdrew.

His Excellency the Governor General was pleased to retire.

The sitting of the Senate was resumed.