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 SECOND DISTINCT SITTING
 

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2.55 p.m.

The Honourable Sydney J. Smith, Speaker.

The Members convened were:—

The Honourable Senators

Aird,	Croll,	Jodoin,	Power,
Aseltine,	Davies,	Kinley,	Quart,
Baird,	Denis,	Lang,	Rattenbury,
Basha,	Dessureault,	Lefrancois,	Roebuck,
Beaubien	Dupuis,	Leonard,	Savoie,
( <i>Bedford</i> ),	Flynn,	Macdonald	Smith
Beaubien	Fournier ( <i>de</i>	( <i>Brantford</i> ),	( <i>Kamloops</i> ),
( <i>Provencher</i> ),	<i>Lanaudière</i> ),	Macdonald	Smith ( <i>Queens-</i>
Belisle,	Fournier	( <i>Cape Breton</i> ),	<i>Shelburne</i> ),
Benidickson,	( <i>Madawaska-</i>	McCutcheon,	Sullivan,
Blois,	<i>Restigouche</i> ),	McDonald,	Taylor,
Boucher,	Gelinas,	McGrand,	Thorvaldson,
Bouffard,	Gershaw,	McLean,	Vaillancourt,
Bourget,	Gladstone,	Methot,	Veniot,
Bourque,	Gouin,	O'Leary	Vien,
Brooks,	Grosart,	( <i>Antigonish-</i>	Walker,
Burchill,	Hayden,	<i>Guysborough</i> ),	Welch,
Cameron,	Hnatyshyn,	O'Leary	White,
Choquette,	Hollett,	( <i>Carleton</i> ),	Willis,
Connolly	Hugessen,	Paterson,	Woodrow,
( <i>Halifax North</i> ),	Inman,	Pearson,	Yuzyk.
Cook,	Irvine,	Phillips,	
	Isnor,	Pouliot,	

The Honourable the Speaker having put the question whether the Senate do now adjourn during pleasure, it was—

Resolved in the affirmative.

After awhile, His Excellency the Governor General having come and being seated upon the Throne—

The Honourable the Speaker commanded the Gentleman Usher of the Black Rod to proceed to the House of Commons and acquaint that House that:—

“It is the pleasure of His Excellency the Governor General that they attend him immediately in the Senate Chamber.”

The House of Commons being come,

Their Speaker, the Honourable Lucien Lamoureux, said:—

“May it please Your Excellency,—

“The House of Commons has elected me their Speaker, though I am but little able to fulfil the important duties thus assigned to me.

“If in the performance of those duties, I should at any time fall into error, I pray that the fault may be imputed to me, and not to the Commons, whose servant I am, and who, through me, the better to enable them to discharge their duty to their Queen and Country, humbly claim all their undoubted rights and privileges, especially that they may have freedom of speech in their debates, access to Your Excellency’s person at all seasonable times, and that their proceedings may receive from Your Excellency the most favourable construction.”

The Honourable the Speaker of the Senate answered:—

“Mr. Speaker,—I am commanded by His Excellency the Governor General to declare to you that he freely confides in the duty and attachment of the House of Commons to Her Majesty’s Person and Government, and not doubting that their proceedings will be conducted with wisdom, temper and prudence, he grants, and upon all occasions will recognize and allow their constitutional privileges. I am commanded also to assure you that the Commons shall have ready access to His Excellency upon all seasonable occasions and that their proceedings, as well as your words and actions, will constantly receive from him the most favourable construction.”

His Excellency the Governor General was then pleased to open the Session by a Gracious Speech to both Houses, as follows:—

*Honourable Members of the Senate:*

*Members of the House of Commons:*

I welcome you to the first session of the Twenty-seventh Parliament of Canada. As we meet on the eve of our Centennial year, it is fitting to reaffirm the values and purposes that unite all our people, and to work, with resolution and patriotism for their realization. We should be very proud to be Canadians.

Our country is continuing to make economic and social progress while playing a responsible role in world affairs. As a member of the United Nations, as a member of the Commonwealth of which our beloved Queen is the Head, and as a partner in the North Atlantic Alliance, Canada will strive to make the greatest possible contribution to improve international relations and assure peace with justice to all peoples. Our capacity for national achievement, like that of other countries, depends on the peace and prosperity of the world community.

Canada will continue strongly to support the efforts of Britain, the Commonwealth and the international community to bring an end to the present illegal situation in Rhodesia. My Prime Minister has recently attended a meeting of Commonwealth leaders in Nigeria, at which this critical issue was discussed and the value of the Commonwealth as a multi-racial association confirmed.

The recent official visit to the Caribbean region made by the Prime Minister reflects the importance my Government attaches to strengthening relationships in economic matters between Canada and Commonwealth countries in this area.

In the United Nations, Canada will continue its efforts, in concert with other countries, to develop means of keeping the peace and strengthening the influence of the world organization. My Government will also do everything it can to assist in finding a basis for negotiating a peaceful settlement of the Vietnam conflict. We shall do our utmost through the United Nations and the Disarmament Committee to foster arrangements for preventing the spread of nuclear weapons and for progress towards disarmament. For the security of the North Atlantic community and the stability of Europe, my Government will seek to preserve and strengthen the unity and effectiveness of the North Atlantic Alliance.

International objectives must be pursued by economic and social as well as political means. My Government will recommend to Parliament further measures to improve and develop international economic conditions and to strengthen the Canadian economy.

My Government intends progressively to develop its external aid programs. You will be asked to approve Canada's participation in the Asian Development Bank.

My Government recognizes that Canada has an obligation to share in efforts to prevent or limit armed conflict. Our object, within the limits of our capacity, must be to improve the prospects of world peace and prosperity.

My Government will continue to strengthen the capacity of the integrated Canadian Defence Forces to provide for the security of Canada and to contribute abroad to the preservation of peace. Amendments to the National Defence Act will be laid before you.

The preservation and strengthening of Canadian identity and unity is the most important trust and responsibility of Parliament and of my Government. That unity rests on a Canadianism based upon the two main cultural strands, British and French, enriched by the contributions of other cultural groups, and recognizing the essential contribution of all to the development of Canadian identity.

The approach of the Centennial of Confederation makes it of the utmost importance that Canadians in all parts of the country should look to Ottawa as its true capital where they can feel at home. To this end my Government will continue to work toward the broadening of the bilingual character of the public service. The national capital should increasingly reflect the nature of the Canadian society.

In its relations with the Provinces, my Government is guided by the conviction that Canadian federalism must draw its vitality and strength from the mutual respect and co-operation of the national and provincial governments. The Canadian people can be well served by their political institutions only if each element in our federal system is able to act effectively within its constitutional sphere. While respecting fully the responsibilities of the provinces, the Government is equally resolved to maintain the constitutional responsibilities of the federal authority.

The Tax Structure Committee, in which the federal and provincial governments, by a common effort, are making a fundamental review of their relations in matters of finance, is nearing the end of its task. The Committee is expected to present recommendations to the Federal-Provincial Conference which will

meet later in the year to consider how fiscal relations between the federal and provincial governments might best be adjusted to strengthen each authority in the discharge of its constitutional responsibilities.

My Government will accordingly submit to you legislation respecting federal-provincial fiscal arrangements to become effective in 1967.

It remains the objective of my Ministers to provide that the Constitution of Canada may be amended in Canada.

You will be asked to authorize my Government to provide that "O Canada" shall be the national anthem and that "God Save the Queen" shall be the royal anthem in Canada.

A measure will be placed before you to provide for the re-organization of certain departments of government, in order to adapt the structure of administration to new and changing conditions and so better meet the needs of our people. The purpose of this re-organization is to provide for closer and better co-ordinated action in the following areas of public policy: manpower policies, which are essential to the sustained growth of a highly productive economy and to the elimination of pockets of poverty within that economy; rural development programs, which are necessary to agricultural progress and a better rural life; integrated federal policies with respect to energy and resources; the special needs of the indigenous people of Canada and of the development of the North; the federal responsibility for laws relating to the conduct of business activity; the problems of corrections and crime, particularly in regard to the effective co-ordination of police services and intelligence in combatting organized crime; and improved management and administration within the public service generally.

For these purposes you will be asked to approve: the conversion of the Department of Citizenship and Immigration into a Department of Manpower; the broadening of the Department of Forestry into a Department of Forestry and Rural Development; the creation of a Department of Energy, Mines and Resources; the conversion of the Department of Northern Affairs and National Resources into a Department of Indian Affairs and Northern Affairs; the establishment of a new department responsible for the special areas of legislation concerned with the conduct of business activity; the establishment of the office of Solicitor General as a full department of government; and the establishment of a Department of the Treasury Board under its own Minister. My Government believes that these changes in organization will enable the processes of administration to respond more speedily and efficiently to the problems of modern times.

Our country is enjoying an unprecedented period of prosperity and growth. Production, investment and trade have expanded rapidly. Employment opportunities have more than kept pace with the rapid increase in our labour force. Unemployment has fallen in all regions of the country, and has been at the lowest level in many years. Canadians have benefited from good harvests and a high level of demand for our farm products.

The opportunities and the need for further sustained economic growth have been indicated by the Reviews of the Economic Council of Canada. My Government intends to pursue policies to ensure that our prosperity and growth continue. It is important that the benefits this can bring to all Canadians should not be jeopardized by excessive costs and prices which would endanger the stability of our economy. My Government therefore intends to continue its policy of stretching out its expenditure on public construction projects in areas of heavy pressure on the construction industry.

With a high rate of employment, our economic growth and living standards will depend increasingly on how successful we are in improving the performance of our economy. Our economic efficiency can be improved by concerted

efforts to adapt and develop our institutions, both private and governmental, to our real needs. Improvements in the skills and efficiency of our existing working force, and of those entering the labour force will necessitate increasing emphasis on training, on education and in general on enabling and assisting our people to qualify for the best jobs available. We work and trade in a highly competitive world which offers many opportunities but demands the best performance. Improvements in productivity will permit our economy to grow faster and should enable us to achieve higher standards of living and a better balance in our international payments.

Banking legislation and related proposals will be placed before you.

A Bill will be placed before you to amend the Railway Act, which has been modified in the light of consideration in the last Parliament and public discussion in the intervening period. You will also be asked to consider a measure respecting the capital structure of the Canadian National Railways.

My Government attaches great importance to improving the technical capabilities of Canadian industry. The program for the advancement of industrial technology, introduced last year, is well under way and a number of important individual projects have already been initiated. You will be asked to approve legislation to encourage research and development, which will enlarge and improve upon the present taxation incentive. You will also be asked to enact legislation to establish a Science Council of Canada in order to encourage further the progress of scientific research.

My Government will propose a vigorous program, in co-operation with the provinces, to foster the training of workers and to assist in bringing into productive employment those who are now unemployed or inadequately employed. You will be asked to consider a measure to improve the system of training allowances provided under federal-provincial agreements.

You will be asked to approve the creation of a fund for financing major rural development projects and, in order to facilitate wide-ranging action for rural development, amendments to the legislation regarding agricultural rehabilitation will be placed before you.

In order that farmers of this country may enjoy living and working standards comparable with those of Canadians engaged in other occupations, measures designed to raise and safeguard farm incomes will be introduced. Among other measures, my Government will propose a program for the purchase, re-development and re-sale of farms that are not now viable economic units. You will be asked to consider a revision of the Crop Insurance Act, for the purpose of enabling crop insurance to be available to all farmers.

Legislation to establish a Canadian Dairy Commission will be placed before you. A measure will also be proposed to provide cash advances for unthreshed grain when weather conditions prevent full harvesting. You will be asked to approve legislation to improve the movement and marketing of feed grain in Eastern Canada and British Columbia by creating a livestock feed agency.

The heavy demand for loans from the Farm Credit Corporation make it desirable again to increase the capital of the Corporation.

In furtherance of the national fishery program, a measure for the development of the commercial fisheries of Canada will be proposed. You will also be asked to consider a proposal for income support for inshore fishermen in years of catch failure.

My Ministers will continue their efforts to promote Canada's trade through programs designed to bring this nation's existing resources and growing industrial capacities to the attention of the world, and through a full participation in international negotiations.

You will be asked to increase the ceiling for long-term export financing under the Export Credits Insurance Act, to facilitate the continued expansion of our export trade.

A resolution will be brought before you concerning the Canada-United States Agreement on Automotive Products, which my Government regards as one of the most important trading arrangements ever made between Canada and the United States.

You will be asked to approve legislation to establish a Canada Development Corporation. My Government is initiating consultation with the provinces for the improvement of securities legislation, and will propose a measure to improve the effectiveness of the Bankruptcy Act.

It is the intention of the Government that the work commenced by the joint committee on consumer credit in the last Parliament will be carried on in the new Parliament, and that a special committee of the House of Commons on food and drugs be again established.

My Government will continue to work for the effective co-ordination of measures to reduce poverty and increase security across Canada. In this respect, the Canada Assistance Plan is intended to enable the Provinces to provide, on a comprehensive and flexible basis, adequate assistance to individuals and families in need. Since the announcement of this measure by my Government early last year, satisfactory discussions have been held with all the provinces and legislation embodying the Government's proposals will be placed before you in this session.

It is the aim of my Government to provide young people with the opportunities they are seeking for constructive service to the community, at home and abroad, and to that end legislation will be placed before you for the establishment of a Company of Young Canadians.

In accordance with my Ministers' belief that public policy should be directed to ensuring that all Canadians can obtain needed health services, irrespective of their ability to pay, my Government last July announced its willingness to make fiscal contributions to provinces which provide programs of medical care meeting certain criteria. When discussions with the provinces have been sufficiently advanced, legislation to carry out this proposal will be placed before you.

To provide for the expected expansion of health services, my Government has announced its intention to establish a Health Resources Fund of \$500 million. You will be asked to approve a measure establishing this Fund.

While fully respecting the jurisdiction of the provinces in matters of education my Government recognizes a pressing obligation to foster more effective development of the human resources of Canada by assisting the expansion of institutions of higher education, and by providing greater and more equitable

opportunities for young Canadians to attend such institutions. A program of Canada scholarships and bursaries for students undertaking higher education will be submitted for your approval. Amendments will be proposed to the Student Loans Act. As an initial response to the acute financial difficulties encountered by the universities and colleges, you will be asked to approve a substantial increase in the federal financial assistance to universities for the academic year 1966-67. After discussion with the provinces, my Government will convene a meeting to consider continuing action in a manner that recognizes differences in the educational systems and institutions of the provinces.

Legislation on unemployment insurance will be proposed. You will also be asked to consider measures respecting the Fair Wages and Hours of Labour Act and Safety in Employment.

Arrangements will be made for you to decide the issue of capital punishment at an early date.

My Government intends to place before you legislation regarding Term 29 of the Terms of Union with Newfoundland.

My Government will propose legislation to amend the Canadian Citizenship Act, in order to ensure equality of rights for all citizens; legislation to make collective bargaining available to the Public Service; legislation revising federal superannuation and pension plans to integrate them with the Canada Pension Plan; legislation to remit to provincial governments 95% of corporation taxes on investor-owned electric utilities; a measure to help the development of a feature film industry in Canada; legislation to establish the National Arts Centre and measures respecting the National Gallery and Museums; the extension of the Export and Import Permits Act; and legislation to extend the construction period for the Trans-Canada Highway.

Other legislative proposals which you will be asked to consider will include amendments to the Judges Act, the National Energy Board Act, the Area Development Incentives Act, the Aeronautics Act, the Canadian Vessel Construction Assistance Act, the Yukon and Northwest Territories Acts, the Bretton Woods Agreements Act, the Atlantic Development Board Act, the National Housing Act, the Defence Production Act, and the Post Office Act. Further measures may be brought forward in the course of the Session as a result of inquiries now pending.

*Members of the House of Commons:*

You will be asked to appropriate the funds required for the services and payments authorized by Parliament.

*Honourable Members of the Senate:*

*Members of the House of Commons:*

May Divine Providence guide you in your deliberations.

The Commons withdrew.