

the profit motive would accelerate the reconversion of industry and trade, it urges that the corporation profits tax be reduced and the excess profits tax be eliminated as early as possible. To encourage planning for conversion of industry, the Committee also recommends allowance of the expense of surveys and advance planning as a deduction from taxable income. At the same time, it endorses the personal income tax as a flexible and equitable tax weapon, capable of producing an adequate revenue, and suggests, since this tax now reaches out to low incomes, that consumer sales taxes be reconsidered.

*Public Investment.*—The Committee repeats a recommendation, submitted earlier to the Government, for a National Development Board to analyse and rate proposals and plans for all kinds of publicly financed construction projects and thus to assemble a reserve of useful public works, so that construction programs of varying dimensions may be undertaken as needed on short notice.\* It stresses that planning takes time and advance planning is needed if employment on construction projects is to be provided when required.

*Conservation and Development of Natural Resources.*—Stressing the importance of long-range policies for the conservation and use of natural resources, the Committee recommends that a comprehensive aerial survey of Canada be made as a first step for post-war measures, and urges that programs for development and conservation of natural resources be planned and carried out on a regional basis. The reconstruction period, the Committee emphasizes, will provide an appropriate opportunity to undertake effective measures to conserve and augment these resources, and such measures will provide immediate employment, enlarge the national income, and maintain this national wealth in continuous productivity. It recommends also increased research in forestry, fisheries and wild life, measures to stimulate the search for minerals, and careful review of mining taxation.

*Agriculture.*—The Committee considers that the primary problem of agriculture during the immediate post-war years is likely to be that of producing enough to supply domestic demands and the needs of the distressed areas abroad and urges that Canada's responsibility in the matter of relief food supplies be defined early so that domestic plans may be developed in good time. It urges likewise that plans be made to enlarge export markets for the post-transition period and to increase domestic consumption by measures for raising nutritional standards and by research into industrial use of farm crops.

*Social Security.*—Stating that the *Report on Social Security for Canada* by Dr. L. C. Marsh represents its opinions on the measures desirable for Canada, the Committee emphasizes that such measures should be treated as part of a broad program for improvement of the nation's human resources, in which housing, nutritional policy and education have important places. It observes that a system of social security is not feasible unless supported by other policies to maintain economic activity and that it would break down with mass unemployment.

*Dominion-Provincial Relations.*—The Committee stresses strongly the need for co-ordination of policy and procedure among the several governmental authorities in Canada for the effective carrying out of reconstruction plans, and recommends the early calling of a Dominion-Provincial conference, with the *Report of the Royal Commission on Dominion-Provincial Relations* as its agenda, for the purpose of reaching solutions of the problems of distribution of financial revenues and of definition of responsibilities.

\* The report of the Sub-committee on Post-War Construction Projects deals in detail with the functions and scope of this proposed board.