

At the present time Canada's foreign trade is at a record level and exports to the United Kingdom and Commonwealth countries have shown a remarkable increase this year. Economic expansion has also had the result that more Canadians have been employed this year than in any previous year and labour income is at an all-time high. The Government recognizes, however, the necessity of continuing the expansion of the national economy at a pace sufficient to provide jobs for the record numbers who are now entering the labour force, as well as jobs for those who are displaced by automation and other technological changes.

Accordingly you will be asked to approve measures designed to increase immediate employment opportunities and also measures which will constitute a large further instalment in the long range programme of national development.

Among the first measures, the Government has already announced its intention of seeking your approval of another and larger programme of assistance to municipalities for winter works projects; this announcement has already given rise to intense efforts across Canada in which all levels of Government are joining. My Ministers have also expressed this intention of carrying out all possible federal works during the winter. In recommending approval of these programmes to you, my Ministers are confident that Provinces and municipalities, business and labour, and all citizens will cooperate in a continuing effort to put more Canadians to work.

With a view to avoiding any interruption in the building of urgently needed hospitals, it is deemed appropriate to announce now the intention of the Government to recommend to Parliament that the federal grants for hospital construction be continued for a further five year period after the expiration of the present period in March 1963.

Another special winter housing programme has been undertaken; the terms of housing and home improvement loans have been modified within the National Housing Act to encourage additional building activity; in addition, you will be asked to amend the Act to make further improvement in the terms of mortgage lending. You will also be asked, as a means of providing low rent housing more economically, and counteracting urban blight, to authorize the Central Mortgage and Housing Corporation, in partnership with Provincial authorities, to undertake the purchase, improvement and rental of existing housing in specified areas of urban re-development, just as such partnerships now build and rent new housing units.

The housing legislation put before you will also contain provisions to authorize the Corporation to make loans to universities for students' residences on terms similar to those of loans made for limited dividend housing projects.

The pollution of Canada's water supplies is a serious problem confronting many communities; its correction or prevention involves substantial further investment in sound urban development. It will therefore be proposed to you that the Central Mortgage and Housing Corporation be authorized to make long term loans to local authorities for approved projects for sewage disposal and treatment, up to two-thirds of the costs of such projects on terms similar to those of loans for limited dividend housing projects. As a special incentive for prompt action on this urgent problem, Parliament will be asked to authorize the Crown to write off one-quarter of the amount of any such loan expended on work done before April 1963.