

with or to replace existing sources of finance. Our purpose is to provide an additional source so that municipalities can undertake more capital works on terms they can afford. That will be the purpose, the extent and the limit of our involvement.

The purpose is clear and specific. It is also, I would repeat, urgent. You will have noticed that it was on the very first day of general business for the new Parliament that we placed on the order paper the Government's resolution to introduce the bill which will establish a Municipal Development and Loan Fund. This will be among the early measures to be considered and, I hope, approved by Parliament.

There are... some general points that I can properly make. First, I want to emphasize again that an important part of our objective is to encourage immediate increases in employment. Indeed, we hope that municipalities will begin to take advantage of the programme in the next few months, so that there will be as many new jobs as possible this winter. I hope you are getting your additional projects ready. We will be as anxious as you that they should move off smartly, if Parliament gives the green light.

DEBENTURE PURCHASE

For this reason, the intention of our legislation is that the fund of \$400 million will be used for the purchase of municipal debentures at a pretty rapid rate. We shall be willing buyers on terms that I think you will find not only favourable but generous. In particular, provided that the projects are completed within a specified period, the Federal Government will forgive a significant portion of the capital amount of the loan.

As I have already said, it is in no way our objective to replace financing which the municipalities can obtain from existing sources. We are offering to finance additional municipal investment in projects that are important and useful but which would not otherwise be undertaken in the next two or three years, because of their financial burden.

The effect of the 'forgiveness' feature in our loans is, of course, that it will help to hold down the burden of long-term municipal debt; the carrying charges on the net balance of the loans will be correspondingly lower. For these reasons, we trust, you will be able to afford projects which you would otherwise have felt compelled to go on postponing. You will be able to augment and accelerate your capital works programmes.

Provided that there is this acceleration of programmes, the loans will be available for a wide range of municipal purposes, with emphasis on major facilities and trunk services.

CMHC ROLE

The administration of the new programme will be carried on in conjunction with Central Mortgage and Housing Corporation, whose activities already place it in close touch with municipalities and their problems. This is perhaps the point... at which I should affirm to you that our new programme is designed as an addition to the various ways in which the Federal Government is already of assistance to municipalities. We are not removing those programmes. Quite the contrary.

I should refer first to winter works. The need for that incentive to employment certainly remains. Then there are the existing loans for trunk collector sewers and sewage treatment plants. That programme has proved its value beyond question and it will be carried through.

Another important measure is, of course, the Technical and Vocational Assistance Act, under which the Federal Government has contributed substantially to the construction and equipment of technical schools. It is a programme of proven value to the country and to the municipalities.

I do not have to tell you how important has been the role of Central Mortgage and Housing Corporation, for many years now, in encouraging new housing construction. You are very conscious of it because the new homes add to your assessment rolls and because the costs of service installations, which many municipalities now require the builder or developer to meet, are reflected in the appraised values of the homes and therefore in the money that CMHC lends....

The fundamental objectives of all levels of government are the same. There is only one purpose - our constituents are the same people and we exist to serve them. We are all seeking for our country the highest possible rate of sound economic growth. We want increased employment. We all want our cities and towns and villages to be better places for people to live and work in, to provide the best possible environment for our children to grow up....

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NAVY MAN HEADS BISLEY TEAM

For the first time in its history, the Dominion of Canada Rifle Association's Bisley team will have a naval officer as its commandant. He is Captain A. Graham Bridgman, Principal Naval Overseer, Montreal Area.

Captain Bridgman will take over the 21-man 1963 Bisley team when they assemble in Ottawa on June 23 to decide committees and duties during the overseas shoot.

The team, composed of qualified DCRA shots, will leave Canada on June 24 and arrive at Bisley, England, next day after a brief stopover at Marville, France. Practice will continue until the matches start on July 13, though some members will shoot individually before the team shoot.

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DESTROYERS ON EXERCISE

Six destroyer escorts of the Royal Canadian Navy will leave Halifax June 10 for exercises in the Atlantic, followed by a six-week training cruise to Britain and Europe. They are HMCS "Gatineau," "St. Croix," "Chaudière," "Kootenay," "Columbia" and "Terra Nova", all units of the Fifth Canadian Escort Squadron.

After fuelling at Plymouth, England, on June 23, the ships will visit Kiel, Germany, from June 26 to July 1, Copenhagen, Denmark, from July 2 to 9, and Londonderry, Northern Ireland, from July 13 to 28. The squadron will return to Halifax on August 5.