

authorized which will provide an estimated 142,800 jobs for an estimated 7,464,400 man-days of work. Applications are still being received and the final figures for the current year will not be available for some time.

During the first winter 647 municipalities participated in the program. In recent years, the number of municipalities participating has been in the neighbourhood of 2,700. Federal expenditures have increased from some \$6,000,000 in 1958-59 to approximately \$40,000,000 in 1964-65. For the current winter, it is estimated that the federal expenditure may reach \$48,000,000. This is provided for in the Supplementary Estimates (D) for the fiscal year ending March 31, 1966.

In addition to the programs which I have already mentioned, I have been asked to deal with the winter house building incentive program. This program is administered by my colleague the Minister of Labour who is also the minister responsible for the administration of housing matters through the Central Mortgage and Housing Corporation. I propose to outline briefly the provisions of the winter house building incentive program, although as I have indicated, the Minister of Labour is responsible for this program.

The winter house building incentive program was introduced in 1963. Under this program, the Government of Canada provides a direct payment of \$500 to the owner-builder or first purchaser of a house which is substantially constructed during the winter months. The \$500 incentive payment applies to single detached houses and to each unit in multiple residential structures containing not more than four units. A four unit building, for example, may be eligible for an incentive payment of \$2,000. In 1963-64, the winter period for the purposes of this program was December 1 to April 15. In 1964-65 and 1965-66, the effective period of the program was increased to the five-month period November 15 through to April 15.

During the winter of 1963-64, some 28,000 housing units qualified for the incentive payment. The following winter 33,500 housing units qualified for the incentive payment. As of this date, 34,553 dwelling units have met the requirements of the program at the commencement of construction. Very few have as yet been completed and so it is not known at this date what the final coverage of the program will be. I should add here that applications are still coming in, in respect of housing being constructed this winter.

It is estimated that this program, each winter, has provided in the neighbourhood of 100,000 jobs on-site and at least as many additional jobs off-site. Through a federal expenditure of \$14,000,000 the first winter and \$16,750,000 the second winter the timing of some \$500,000,000 and \$600,000,000 worth of housing has been influenced so as to achieve a high degree of employment stability in an industry which had a highly seasonal employment pattern.

In inviting me to appear before the committee Mr. Chairman, you made reference to the comments of the Auditor General in his Report to Parliament dealing with expenditures under the Municipal Winter Works Incentive Program for the fiscal year ending March 31, 1965. In this connection, I might say that the Auditor General has been carrying out test audits of expenditures under this program each year since the fiscal year 1962-63. Following these audits, the Auditor General's office has submitted the reports of their findings to the department. Each of these reports is taken up with the appropriate provincial authorities in order to determine the eligibility of the payments questioned. Where it has been established that refunds are due to the federal government, recoveries have been made. These recoveries in respect to the fiscal year 1962-63 amounted to some \$30,000 and in 1963-64 to some \$32,000.

I have with me officials concerned with these various programs and if honourable senators have any questions they would like to raise, I shall be only too pleased to provide the information required.