The creation of employment is a task to which we are all devoted whether we be employers, government officials at all levels, or farmers. The policy of the Government of Canada, as you all know, is to create a favourable economic environment in which employment will be maintained at reasonably high levels.

There is a great variety of Government activities which contribute to this objective. The development of favourable markets for Canadian exports, assistance in the development of our natural resources, the development of efficient employment exchanges, to name only a few.

Fiscal and monetary policy are important tools for directing the flow of our economic life along desirable lines from an employment point of view. During the years following Korea when the economy suffered from inflationary pressures, the Government ran a substantial budgetary surplus.

Later when demand and supply forces were in approximate balance, the budget was also balanced and this year we shall probably have a deficit which will assist in stimulating expenditures and hence employment. We still have to spend very large sums of money on defence: this directly employs some 120,000 men in uniform, about 50 odd thousand civil servants working with them, and very many more thousands in defence construction and production.

This year the Government has planned a substantial increase in its expenditure on useful public works projects. Now that the winter is over and the construction season is getting into full swing, this programme, added to the high levels of private investment, should help to raise employment.

Last year at your annual convention I talked about a bold programme to help reduce Canada's hardy perennial problem of seasonal unemployment. I would like to make a short progress report to you on developments since my talk last year.

In making this report I wish to express my gratitude, and that of the Government, for the fine co-operation that has been given by your association during the past year in this effort to increase winter employment.

Your representative on the National Employment Committee of the U.I.C., Mr. Roy Campbell - has contributed greatly to the success which that Committee has had in providing leadership for this effort. I am sure that the Committee will move forward to greater achievements during this year.

Over the past year I firmly believe much progress has been made in developing actions designed to create more winter jobs. Government departments are following the policy of trying to time their construction and procurement expenditures in a way which will add to winter employment.

In this effort the Federal Government is co-operating with the provinces, organized labour and organized industry in furthering this programme. More and more businesses are gaining some experience inccarrying on construction work throughout the winter. Some highly significant experiments were carried out in Canadian centres last winter. We intend to take advantage of this experience next winter.

This programme of creating winter jobs requires the earnest co-operation of all of us, whether we be employers, consumers, trade unionists, or government officials if real progress is to be made in developing worthwhile solutions.