

In recent weeks the Prime Minister has had friendly and constructive discussions with the Prime Minister of the United Kingdom and with the President of the United States of America. By such visits and other means the Government will continue to improve political and economic relationships with other countries. It is my Ministers' intention to assist in enhancing the unique value of the Commonwealth partnership in international relations.

REDUCING TRADE BARRIERS

Canada's economic progress is vitally dependent on vigorous economic expansion throughout the world. We must expect continuing rapid changes in international trading relationships, changes that face Canada both with problems of adjustment and with new opportunities. My Ministers believe that the nations can best achieve economic progress through policies that steadily reduce the barriers limiting trade. It is equally important to pursue active policies for the economic development of the newer nations, for the expansion of trade in primary commodities at reasonably stable prices, and for the improvement of international payments.

Canada will take a constructive part in trade and other economic negotiations. In order to increase employment and production in Canada, it is the purpose of my Ministers to expand Canada's export trade, to strengthen our payments balance with other countries, and to ensure increasingly high confidence in our economy and currency.

EMPLOYMENT POLICY

Steady work is the basic need on which men and women depend for the well-being of themselves and their families. Unemployment, on the serious scale of recent years, is therefore the most urgent of our domestic problems. To provide the many new jobs that are needed every year, we must create new industries. The fiscal and monetary policies of the Government will give priority to the encouragement of soundly-based industrial expansion.

Provision will be made to assist labour and management to make manpower adjustments required by technological and other industrial changes. The special assistance for technical training will be extended in co-operation with the provinces....

DOMESTIC DEVELOPMENT POLICY

You will be asked to provide for the early establishment of a Department of Industry, which will foster industrial expansion and provide a central point to which industry can look for consultation, stimulus and assistance. It will be proposed that, within the new Department, there will be established an Area Development Agency. This agency will work with the provincial governments and other organizations to co-ordinate programmes for parts of the country where, because of chronic unemployment, a special thrust for development is needed....

You will be asked to establish a Municipal Development and Loan Board, through which municipalities may obtain, with the approval of the provinces, loans and grants to carry out projects which will increase employment and improve services. Amendments to the National Housing Act will also be proposed.

A measure will be placed before you to establish a Canada Development Corporation, by means of which Canadians can more readily direct their savings to the building of new Canadian industries and to increasing the Canadian ownership of existing industries, which is one of the important objectives of the Government.

A measure will be placed before you to establish an Economic Council of Canada, in order to assist the Government, industry and labour to develop means of ensuring in Canada the highest possible levels of employment, of efficient production, and of sustained growth for our economy....

AGRICULTURAL POLICY

A new Department of Agriculture Act will be placed before you, to provide for two Ministers in order that the needs of agriculture in both eastern and western Canada may receive closer attention. My Ministers will institute new programmes to make farming as a whole more stable and more prosperous. They will strive to expand markets for Canadian farm products both at home and abroad, with special attention to dairy products...."

MAN-HOURS AND HOURLY EARNINGS

The average hourly earnings in manufacturing declined in January to \$1.92 from \$1.94 in December, while the average weekly wage rose to \$78.21 from \$72.34 and the work week to 40.7 hours from 37.3, according to advance figures that will be contained in the January issue of the Dominion Bureau of Statistics report "Man-Hours and Hourly Earnings with Average Weekly Wages". Hourly earnings in January 1962 averaged \$1.86, weekly wages \$75.46 and the work week 40.6 hours.

DURABLES

In durable-goods manufacturing, the average hourly earnings rose in January to \$2.09 from \$2.08 in the preceding month, the average weekly wages to \$85.86 from \$78.62 and the work week to 41.1 hours from 37.9. Overtime work and wage-rate increases in iron and steel products, transportation equipment, and electrical apparatus and supplies contributed to the rise in earnings. This effect was partly offset by reduced earnings in smelting and refining where overtime rates had been paid for work performed on Christmas Day.

NON-DURABLES

In non-durable goods manufacturing, average hourly earnings fell to \$1.76 in January from \$1.80 in December, while average weekly wages rose to \$70.78 from \$66.24 and the work week to 40.2 hours from 36.8. A return to normal operations in leather, textile and clothing factories that employed many women, and a seasonal increase of lower-paid employees in tobacco plants, contributed to the decline in average hourly earnings. Lower earnings in pulp-and-paper mills, petroleum refineries and chemical plants, where wage-earners had received premium pay for work performed on Christmas Day, also contributed.