

held and further exchanges of views will take place. You will in due course be asked to approve legislation concerning dominion-provincial fiscal arrangements for the period commencing April 1962.

**TRADE AND THE DOMESTIC ECONOMY**

"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 their 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 co-operate 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.

**HOUSING PROGRAMME**

"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.

**PRODUCTIVITY COUNCIL**

"...Believing that the ultimate success of efforts to improve Canada's trade and employment and the standard of living of Canadian workers depends largely upon increasing Canadian productivity, my Ministers will ask you to authorize the establishment of a Productivity Council. Its membership would include Canadians from the fields of industry and commerce, organized labour, agriculture and other primary production, as well as qualified individuals chosen from the public at large and from the scientific agencies of government. The purpose of this Council would be to strengthen Canada's competitive position in export and domestic markets by improving the productivity of primary and secondary industries.

**COLUMBIA AGREEMENT**

"...Among other measures in the long-range programme, you will be requested to approve a number of major projects of national development. The largest of these will be the development of the water-power on the Columbia River. Agreement has been reached with the Government of the United States on a plan for the co-operative development of the use of these waters and a treaty will be submitted to you for approval in due course. You will also be asked to take the action necessary to fulfil Canada's part in implementing it.

"You will be requested to approve several projects of railway development in opening up Canada's frontier. One of these will be a Canadian National Railway line to the new mining area near Mattagami Lake in north-western Quebec, which will aid in the rapid expansion of the mineral industry of that great province.

"You will be asked to appropriate funds to enable a detailed survey to be made of the Western route for the railway from northern Alberta to Great Slave Lake.

**TARIFF MODERNIZATION**

"...My Government has decided that the modernization of the customs tariff of Canada, on which much has been accomplished in recent years, should be substantially accelerated. To make this feasible, on a sound and fair basis, you will be asked to enlarge the Tariff Board and authorize it to sit in two panels.

**MISCELLANEOUS PROPOSALS**

"You will be invited to consider means by which to encourage a greater participation by Canadians in the ownership and control of industry and resources in Canada.