

In recognition of this basic need to increase efficiency in the manufacture and use of building equipment, accessories and materials, the Federal Government, in close co-operation with the various sectors of the construction industry and with representatives of organized labour, began last February developing the BEAM programme (Programme for Increasing Productivity and Efficiency in the Manufacture and Use of Building Equipment, Accessories, and Materials).

Provincial government officials have been consulted about this programme.

Joint committees consisting of representatives of industry, labour and government have been formed and are now actively developing and implementing various projects which will help the industry to increase its efficiency....

POLLUTION

The Federal Government has recognized the desirability of a comprehensive approach to water-resource management and intends to introduce legislation to provide a modern and flexible framework for federal action and federal-provincial co-operation in this field.

The proposed legislation is designed to ensure that problems of water pollution may be tackled both separately and where appropriate, in co-ordination with other pollution problems. One of these is air pollution....

Federal action now in progress includes:

- (1) medical research on the effects of air contamination upon human health;
- (2) preliminary work on the assessment of pollution through a sampling programme to be worked out in accord with federal-provincial arrangements;
- (3) preliminary steps to determine acceptable standards of clean air and the means for controlling the emission of pollutants....

FURTHER FEDERAL FINANCING UNAVAILABLE

It would...be misleading to leave any impression that we are in a position to offer increased federal financial assistance at this time. There is no more magic for solving our housing and other urban environment problems in the use of the federal tax mechanism than in the use of provincial taxing powers. Indeed, it can be argued that there is more justification for using provincial taxing power for this purpose than for using the federal taxing-power. The use of the federal tax mechanism would inevitably mean that residents of the less urbanized areas, such as the Atlantic Provinces and the Prairies, would be contributing money to help the metropolitan areas - from which the bulk of our national income comes.

This does not mean, however, that there is no federal interest or responsibility involved.

The Federal Government, over the years, has made large investments in Canada's cities. This year alone it has authorized Central Mortgage and Housing Corporation to make direct investments in housing and urban development of more than \$950 million. It undoubtedly will continue to be a large

investor in this vital national area.

While current and temporary financial difficulties will prevent the continuation of this aid in 1968 on the scale it was provided in 1967, this does not prejudice in any way our desire to seek, with you, more effective ways of using the resources that are available.

The essential first step is to find better means of co-operating at all levels of government in planning the best and most socially-rewarding use of our collective public resources for future housing and urban development.

To this end, we are considering four broad changes in federal housing policy, to be implemented - so far as the Federal Government is concerned - as and when our resources permit.

These are:

- (1) Federal financial participation in comprehensive planning of our urban regions and in the advance acquisition of land for transportation corridors and open spaces for recreation and similar community purposes.
- (2) Federal financial support for land assembly and development of comprehensively-planned new suburban communities within urban regions.
- (3) Housing subsidy programmes to serve as an integral part of other combined federal and provincial anti-poverty measures in "special areas", characterized by general poverty, lack of employment opportunities and slow economic growth. These would provide for selling as well as renting housing below cost in these areas.
- (4) A more vigorous publicly supported programme to assist growing families of modest means, many of whom require not small apartments but three or four-bedroom accommodation and good community facilities within the reach of their moderate incomes.

All these proposals involve provincial government participation, and so we shall naturally be interested in receiving your views on them.

ADVISORY COMMITTEE

Before we can make any real progress toward an improvement in our urban environment, we must first improve the planning of that environment.

The need for such improved planning has already been widely recognized. To help meet this need, I would like to propose the establishment, jointly by the federal and provincial governments, of a Council on Housing and Urban Development, whose functions, generally, would be to gather and publish comprehensive, objective, and regular assessments of housing and urban development needs across the country; to suggest priorities of need and plans to meet them.

The Federal Government is prepared to participate at once in the establishment and maintenance of such a continuing Council. As I envisage it, the Council would comprise members drawn from a broad range of skills and experience in this field and appointed in a manner agreed to by the provincial and federal governments....