

economic growth over the past four to five years. However, there is still a good deal of winter unemployment due to seasonality in the housing industry, which—and there is a judgment involved here—would increase probably if these incentives were suddenly removed. I underline the word “suddenly”.

There is another aspect of these programs that is particularly important in the present kind of tight manpower economy in general that we now have in Canada, and that is to even out or utilize more effectively the labour force in the construction industry. For example, if we had not the house building incentive program last year, my judgment would be that there would have been a good deal more pressure on manpower supply. In the late summer and in October when there was not nearly as much housing in that period as otherwise would have been but for the program.

I think the same kind of reasoning applies in the main to the municipal winter works incentive program. In other words, the economic rationale, if you like, has shifted to some degree for these programs as we have moved from an economy of relatively high unemployment to relatively low unemployment. However, personally I would be prepared to argue along the lines I have done that it is now much more in terms of effective utilization of manpower in industry.

The CHAIRMAN: If there are no further questions, I will convey your thanks to Mr. Dymond and Mr. Hereford for the information they have given to us and for the co-operative and courteous way in which they answered our questions. We are grateful to you, gentlemen.

Our next meeting will be next Thursday at 10 o'clock a.m., and the witness who has agreed to come will be Mr. Max Henderson, the Auditor General.

Whereupon the committee adjourned.