

# CHAPTER XV.—CONSTRUCTION

## CONSPECTUS

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This survey of conditions in the industry is divided into three Sections. Section 1 deals with the effects of Dominion Government expenditures on the construction industry in general—the aid extended by the Dominion Government under a national program designed to cope with the shortage of housing consequent upon the curtailment of building operations during depression years. Section 2 shows the value of construction contemplated, as shown by contracts awarded and building permits issued, to the end of 1940, and is therefore in the nature of a forecast of work still to be undertaken. Section 3 combines statistics of the Annual Census of Construction in summary form; these statistics cover the bulk of building and construction work actually completed to the end of 1939 and are comprehensive inasmuch as they include all types of construction dealt with in Sections 1 and 2 that were actually completed by the end of the year stated; they are not however all-inclusive as is pointed out at pp. 375-376.

### Section 1.—The Government and the Construction Industry

Throughout the depression years of the early and middle 'thirties and even until the outbreak of war in September, 1939, the construction industry, always sensitive to the effects of general economic influences and characterized by alternate periods of prosperity and famine, suffered far more from the economic collapse of 1929 than other sections of industry. Inasmuch as there is scarcely a branch of Canada's internal economy that does not benefit directly or indirectly from activity in construction, and because the low level of current enterprise was felt to be due largely to lack of confidence, the Dominion Government, after 1934, did much to stimulate building by the encouragement of private enterprise. Loans made under the "Housing Acts" and the Home Improvement Plan between 1935 and the outbreak of war aggregated about \$100,000,000 which, of course, represented only a part of the capital actually spent, since the borrowers contributed large amounts on their own account. After the commencement of hostilities, there was no need for further support to private building enterprise, although the Government housing scheme was continued. It soon became evident that the Government's contribution to construction on account of the War effort, together with necessary industrial requirements, would quickly take up the slack that had accumulated, and that private construction would probably have to take a back place. This has already proved to be the case.