

Canada's effort in the present war has brought manufacturing production to a much higher level than ever before. The following special article reviews the developments that have taken place and the system of controls that have been imposed.

THE INFLUENCE OF THE PRESENT WAR ON MANUFACTURING

To a much greater extent than in the First World War, Canadian industry has been expanded to meet the needs of the fighting forces of the Allied Nations. Industrial capacity in this country is now (March, 1944) almost three times what it was when hostilities broke out in September, 1939. Scores of new industries have gone into production, and many others engaged in making civilian articles have been diverted to the output of the essentials of war.

However, there has been this difference between industrial expansion in the First and in the Second World Wars: whereas Government control of industry was unthought of in Canada in 1914-18, the experience gained during the inflationary period after that war to 1929, and in the depression of the 1930's, provided the basis for an all-embracing system of controls over the agencies of production and over the consumption of a wide variety of articles.

The present review is divided into two parts as follows: (1) a description of Government control measures over manufacturing, and (2) an outline summarizing the production of the principal munitions of war.

Government Control Measures over Manufacturing

War-time control of manufacturing is largely exercised by two authorities—the Wartime Industries Control Board, responsible to the Minister of Munitions and Supply, and the Wartime Prices and Trade Board, responsible to the Minister of Finance. The former body controls the production and distribution of certain basic materials especially placed under the jurisdiction of the Department of Munitions and Supply because of their importance to the war program. The Wartime Prices and Trade Board has authority over the production and distribution of most goods (mainly civilian) not within the sphere of the Wartime Industries Control Board. These two Boards operate through "controllers" and "administrators", respectively.

Controls Exercised by the Department of Munitions and Supply*—The following paragraphs outline a few significant measures of control as they affected some of the more important industrial commodities to Apr. 1, 1944.

Steel.—By careful planning, Canada's production of steel has been doubled since war began, and this country is now the fourth greatest steel producer among the United Nations. Although steel was so scarce that for many critical months after the Fall of France the whole Canadian war program was threatened, at no time has the lack of it caused a single, serious interruption of any phase of war production or service. At the close of 1943, with most large-scale construction projects completed, some quantities of certain types of steel were released to fill the gaps in civilian production.

*Prepared in the Office of the Director of Publicity, Department of Munitions and Supply.