

REPORT OF THE ADVISORY COMMITTEE ON RECONSTRUCTION*

In its main or general report—which is supplemented by separate, detailed reports of each of its six sub-committees on their special fields of study—the Committee outlines and analyses the probable major problems of post-war reconstruction and indicates the policies and programs that it considers necessary or desirable for dealing with them. In doing so, the Committee distinguishes between measures for the transition or immediate post-war period and those mainly of long-term application. The discussion of problems and recommendations is closely integrated and only a brief outline of principal aims and recommendations is given here. The interested student should refer to the report itself for the background and bases of conclusions.*

Transition Period.—For the immediate post-war period the Committee recommends that reconstruction policies should have the following paramount aims: peace-time employment as speedily as possible for all men and women able and willing to work; production, with the least possible delay, of adequate supplies of essential goods and services; adequate protection from want of those unable to obtain gainful employment, including safeguarding of children against malnutrition and insufficient educational opportunities; early free functioning of domestic and foreign markets to establish equilibrium speedily among the various Canadian economic groups; modification of monetary policy, price control and commodity rationing policies from time to time to prevent development of inflationary conditions.

Employment Machinery.—In order to facilitate prompt re-employment of those discharged from the Armed Services and of war workers, the Committee urges that the efficiency of the employment offices (and of National Selective Service, if maintained) be developed as rapidly as possible to the point where they can give complete coverage of employment opportunities. In this connection, it asserts that speedy re-employment is more important than all questions of relief and social security, since the success of the reconstruction policy will depend upon the number of useful jobs available for those seeking work.

Commodity and Price Controls.—The Committee recommends that controls designed to restrict consumption be abandoned as early as possible to permit of an expansion of consumption and consequent enlargement of employment opportunities. On the other hand, it warns that abandonment of all controls when the War ends would cause chaos in many segments of the domestic economy and disrupt Canada's international economic relations, and asserts that, if inflation is to be avoided in Canada, many price controls will need to be retained until there has been a substantial increase in the supply of consumer goods. Accordingly, the Committee recommends that the legal validity of these controls be assured after the War ends.

Fiscal Policy.—Fiscal policy as developed for war purposes, the Committee advises, should be reorganized—if possible, during the remaining period of the War—upon lines that will encourage initiative and stimulate private investment. Observing that present taxes on corporate profits, particularly the excess profits tax, tend to dampen initiative and discourage investment, and that operation of

* *Report of the Advisory Committee on Reconstruction.* King's Printer, 1944: Price 25 cents. The reports of the sub-committees are printed separately under the following titles: Agricultural Policy, Conservation and Development of Natural Resources, Post-War Construction Projects, Housing and Community Planning, Post-War Employment Opportunities, and Problems of Women. To Mar. 31, 1944, all these reports had been published with the exception of "Housing and Community Planning".