

greatly expanded, and extensive foreign credits have been made available to impoverished countries under the Export Credits Act and the United Kingdom loan agreement.

Agriculture.—The granting of foreign credits to Britain and other countries on the continent of Europe enabled large shipments of foodstuffs to be made to nations which temporarily lacked the means of payment. Thus agricultural employment and income was sustained in Canada. Negotiations were carried on with the United Kingdom, Canada's best customer of agricultural products, to conclude agreements as to the quantities and prices of farm commodities to be sold during the next five years.

Labour.—The continuance of price control after the War protected the earnings of labour from an inflationary loss of purchasing power. The extent of labour disputes in Canada up to mid-1946 was relatively small, and there was some relaxation of the wage ceilings in force at the end of the War.

Public Investment.—In view of the heavy volume of investment planned by private industry, the emphasis of the Dominion's public investment program has been put on long-range planning of public development works for implementation when employment conditions warrant. A "shelf" of suitable projects in various states of planning is being built up by the Dominion Government. Agreement for a long-range public investment policy has been sought in conferences with the Provincial Governments but this has so far not been achieved.

Social Security.—The implementation of the Government's program of national health insurance and extension of old age pensions and unemployment insurance awaits the conclusion of agreements with all the provinces over the division of taxation sources and administrative responsibility. The payment of family allowances, however, was inaugurated in the summer of 1945, adding to the security of children in low-income families.

Section 2.—The Department of Reconstruction and Supply

The Department of Reconstruction and Supply Act, 1945 (9-10 Geo. VI, c. 16), states that the Minister shall exercise such powers as applied to him as Minister of the Department of Munitions and Supply and as Minister of Reconstruction. The Act came into force by proclamation on Dec. 24, 1945, but the implementation of certain sections was reserved until Jan. 1, 1946. The work of the Department is to formulate plans and correlate information for industrial development and conversion; public works and improvements; housing and community planning; research and the conservation and development of natural resources. In order to carry out these functions, the Department has built up, under the Deputy Minister, a regular establishment of administrative offices. At this stage (July, 1946), the Department is continuing the various controls instituted during the war years under the Department of Munitions and Supply in so far as they are still in effect in the post-war economy.

In addition to this regular departmental organization, the new Department, in order to carry out its over-all functions, co-ordinates its policies with those of other Government Departments and agencies. In this connection, the Minister may call conferences of experts, or of representatives of labour or the professions, or of primary producers and leaders in industry, as well as Dominion, provincial or municipal authorities for the purpose of working out any national reconstruction plan.