

In December, 1948, there took place a major readjustment of the Department's functions. Responsibility for the Economic Research Branch, Crown companies other than Central Mortgage and Housing Corporation, and the remaining commodity controls (steel, timber, building priorities) was transferred to the Department of Trade and Commerce. The Department of Reconstruction and Supply retained the Public Projects Branch and Central Mortgage and Housing Corporation, and took over administration of the Canadian Government Travel Bureau from the Department of Trade and Commerce and of the National Film Board from the Department of National Revenue. The change allowed the Department to concentrate attention to a greater extent on the Federal construction and housing programs, including the housing projects of the Armed Services.

*The Public Projects Branch.*—The Public Projects Branch which remained under the Department of Reconstruction and Supply, implements the Federal Government's public investment policy, being concerned with the screening of construction projects proposed for inclusion in Federal Estimates, the approval of projects brought under the special projects vote, and the assembly of a "shelf" of postponable but fully planned public projects. This Branch in 1947 absorbed the Resources Development Branch, charged with formulating policies for the development of natural resources.

Upon assuming control of commodity controls, the Department of Trade and Commerce set up a Commodities Branch to administer the timber control and building priorities, as well as the Export and Import Divisions, the Export Permit Branch and the Transportation and Communications Division. The newly transferred Economic Research Branch was incorporated with the Industrial Development Division of the Department of Trade and Commerce to form the Economic Research and Development Branch. Its functions as an economic intelligence unit were integrated more closely with the foreign trade intelligence work of this Department to aid in the provision of a continuing review of both domestic and external developments affecting the country's economic welfare.\*

### Subsection 3.—Re-employment of War Veterans and War Workers

Peak civilian war employment was reached in the autumn of 1943 when an estimated 1,400,000 out of about 4,300,000 workers were engaged on war work. Peak Armed Forces strength was reached a year later with about 780,000 men and women in uniform. The contraction of war employment was practically completed by the spring of 1946 and, by the end of the year, the Armed Forces were reduced to 43,000 members, approximately a peacetime footing. Despite the high rate of release, unemployment, as reflected by the number of unplaced applicants registered with the National Employment Service, did not rise above 270,000 or about 4 p.c. of the working force. The maximum number of unplaced war veterans of the Second World War was reached in March, 1946, at 72,500, a large proportion of whom had been registered at the Employment Service less than 15 days. This represented less than 15 p.c. of all veterans discharged in the preceding year.

The National Employment Service was the principal agency engaged in placing war veterans and war workers in employment. Many, however, found jobs on their own in the strong labour market that then existed, while a considerable proportion of war workers were transferred to peacetime work without change of jobs when the firms with which they were employed were converted to peacetime production.

\* *Private and Public Investment in Canada, Outlook, 1948; Private and Public Investment in Canada, Mid-Year Survey, 1948; and Production of Basic and Building Materials in Canada, Outlook, 1948*, are publications of this Branch.