

The rehabilitation of war veterans, apart from placement in employment, was handled by the Department of Veterans Affairs. The war veteran was entitled to a clothing allowance, rehabilitation grant, war service gratuity, supplementary gratuity for service outside the Western Hemisphere, a re-establishment credit or, alternatively, to assistance in obtaining vocational or university training or to set himself up in agriculture or commercial fishing. The veteran was also entitled to re-instatement in the job he was in at the time he joined the Armed Forces; to an out-of-work allowance until he obtained a job; and, after 15 weeks of continuous civilian employment, he became entitled to unemployment insurance assistance based on the period of his Service. Veterans attempting to establish themselves in business on their own were entitled to an "awaiting returns" allowance if encountering difficulty in supporting themselves. Extensive medical and rehabilitation services were also provided for veterans whose employability has been affected by their war service. (See Chapter XXIX.)

The rehabilitation of war veterans into civilian life was carried through smoothly and with little friction. Among the reasons for this were: the spreading of demobilization over a longer period of time than after the First World War; the provision of assistance on a generous and comprehensive scale and with emphasis on rehabilitation; extensive consultative facilities (through the Department of Veterans Affairs and the Employment Service) to deal with the veteran's problems on an individual basis; and a prolonged period of high employment during which the veteran had time to consolidate his position as a civilian. It should also be noted that, owing to improved standards of education as well as to technical training while in the Services, veterans generally were more skilled than the veterans of the First World War, which improved their opportunities for employment.

Subsection 4.—Reconversion of Plant and Equipment

During the course of the War approximately 14,000 companies and individuals entered into prime contracts with the Department of Munitions and Supply to provide war supplies, 13,000 of these to provide general stores and 1,400 to provide technical stores. Many of these contractors, in turn, entered into sub-contracts with others to supply materials or parts needed to execute contracts. In a number of cases, and particularly with respect to technical stores, it was necessary to install additional equipment and to make changes in production methods to execute contracts or sub-contracts. In the process, many plants almost completely abandoned their civilian production. In addition, a number of the largest plants in operation in Canada when the War ended had been built specifically to make war goods.

Most of the companies extensively engaged in war production had plans fully prepared for industrial reconversion. Sample surveys conducted by the Department of Reconstruction and Supply indicate that one-half of the reconversion work was completed by March, 1946, and all but a small percentage by the middle of 1947.*

Subsection 5.—Liquidation of the War Production Program

The liquidation of the war production program involved: (1) cancellation and settlement of incompleting war contracts, (2) the renegotiation of some contracts, (3) the disposal of Government-owned war material and stores and of plant and equipment in excess of peacetime need, and (4) the winding-up or reconstituting of Crown Companies established during the War.

* Results of the most comprehensive survey were published in *Reconversion, Modernization and Expansion, Progress of Programs in Selected Canadian Manufacturing Industries, 1945-1947*, Economic Research Branch, Department of Reconstruction and Supply.