Where it has not been practical for private industry to invest in the new facilities necessary for defence production, capital assistance for machinery and equipment or, in a few instances, for buildings has been provided by the Government. During the three-year period Apr. 1, 1951-Mar. 31, 1954, about \$167,000,000 was spent in capital assistance, almost one-half of which was spent in the fiscal year 1952-53 but most of the projects requiring capital assistance have now been completed. The greater portion of capital assistance has been in the aircraft field, where opportunities are limited for commercial production. Crown-owned machine tools and equipment have also produced such items in Canada as complete sets of propulsion machinery for escort vessels, proximity fuses, gauges, and other specialized types of equipment. Wherever practical, private industry has been encouraged to take over ownership of these facilities by purchasing them from the Crown. To maintain Canada's industrial mobilization base, contracts covering the sale of Crown-owned defence properties contain a proviso that the facilities will be available to produce defence items when required for a minimum period of ten years.

PART III.-CIVIL DEFENCE

The accelerating threat of aggression that began shortly after the completion of demobilization following World War II made necessary the reorganization of military strength. It also made apparent the need for the development of a plan of civil defence as part of Canada's program of defence against direct attack. Thus, in October 1948, the Minister of National Defence appointed a Co-ordinator of Civil Defence whose task it was to prepare such a plan. To assist in the co-ordination of the planning, an interdepartmental committee—the Federal Civil Defence Planning Committee—was established, as well as a Federal-Provincial Advisory Committee composed of the Federal Minister responsible for civil defence as members. In February 1951, the administration of civil defence was transferred from the Department of National Defence to the Department of National Health and Welfare.

The Canadian plan was developed after study of similar organizations in the United Kingdom, Western Europe and the United States. It was agreed that civil defence organization should be incorporated within the framework of civil government at each level—federal, provincial and local—each with its own sphere of responsibility. In general, each province is self contained and is divided into a number of areas, with the fundamental idea of mutual support to any disaster region; some areas are organized on a basis of mobile support and reception only. The channel of communication is from the federal authority to provincial authority and thence to local authority.

The Federal Office of Civil Defence consists of the Civil Defence Co-ordinator and the following services: operations and training; administration and supply; health planning; welfare planning; communications and transportation. A number of other federal departments are involved in planning, such as the Royal Canadian Mounted Police, the Department of Agriculture, Department of Transport and the Defence Research Board.

In co-operation with the Royal Canadian Air Force, an early warning system has been established in the more vulnerable areas where sirens have been provided by the Federal Government. In co-operation with the Departments of National Defence and Veterans Affairs, a program of stockpiling medical supplies and equipment is in progress across Canada.