

demand for food commodities, for munitions, for labour and for lives, profoundly affected the lives of the great majority of adolescent and adult Canadians. Because of the great demand for labour and the high cost of living, children from 13 to 16 years of age were withdrawn from school before the normal time, and adolescents of 17 and 18 enlisted in great numbers. The universities and the upper forms of secondary schools were drained of their male students, while the demand for labour in munition factories, in financial institutions and in industry generally absorbed great numbers of young women, many of whom would hardly, under ordinary circumstances, have engaged in gainful occupations. Again, in innumerable cases, one man did double work at home while another in the same business or on the same farm went to the front. The older men who had reached the age of retirement remained to conduct a business or came back to it to relieve the younger men for active service. This was particularly true of the retired farmers, who contributed materially towards making possible the great increase which took place in food production. Thus young persons, women and elderly men entered or re-entered the field of production to fill the places of the half million able-bodied men who crossed the seas on active service. This situation continued for years. One of the most serious problems of reconstruction has been the readjustment of this unprecedented and long-continued displacement of the labour force of the country.

This article on "Reconstruction in Canada" must, therefore, deal first of all with the fundamental changes brought about by the war in the life of the Canadian people and in the domestic activities of the Government, laying special stress on war finance and on the increase of Government functions which was the inevitable result of the war. The second part of the article describes the various measures adopted for the re-establishment in civil life of the returned soldiers and their families, involving an enormous but cheerfully borne expenditure, the exact amount of which is not yet accurately determined. The last part of the article is concerned with reconstruction among the general population of the country and the girding up of our loins to meet the difficulties of the existing situation, difficulties, however, insignificant compared with those encountered and overcome by the hardy pioneers of French and British stock who first settled this country and with strong arms and primitive tools carved out a new nation in the northern wilderness.

PART I.—WAR-TIME ACTIVITIES OF GOVERNMENT AND PEOPLE.

Abnormal economic conditions in Canada commenced with the out-break of war in August, 1914. Prior to that time the country had been passing through a normal reaction from the great period of prosperity which had reached its culmination about the end of 1912. The first economic effect of the war was to intensify that reaction. The Montreal and Toronto stock exchanges were closed for nearly three months from July 28, 1914, and were then opened