

SUBSIDIES

Where absorption of all the increased cost within the trade is impossible the government may pay a subsidy in order to maintain the Canadian ceiling price. In general, import subsidies are based on the difference between the current higher cost to the importer and the cost in the basic period in 1941 of similar goods. Certain fruits, grains, chemicals, drugs, agricultural implements, textiles and many other articles are among those on which import subsidies have been paid.

Subsidies are also paid on certain domestic goods where it is necessary to maintain the supply at the ceiling price level. These are goods such as canned fruit and vegetables, coal, milk and also some meats, fruits, vegetables, lumber and groceries.

The careful use of subsidies has been continuously extended to take care of unavoidable increases in costs, but the costs of subsidies were less than originally anticipated. The total of import and domestic subsidies paid by the Wartime Prices and Trade Board from December 1, 1941, to December 31, 1943 was \$115,378,235. In addition to this figure, the Department of Agriculture also pays certain subsidies to producers. For 1942 and 1943, the estimated amount is \$144,723,778.

MANPOWER

In 1939 about 4,000,000 Canadians were gainfully occupied, and at least 300,000 who were available for work were not employed. By the end of 1943, the gainfully occupied population had risen to approximately 5,100,000. About 1,900,000 of these were engaged in the armed forces, in supplying the weapons of war or in producing the food required for special wartime exports. The number available to meet civilian needs therefore had fallen to about 3,200,000.

The munitions industry at its peak employed more than 1,000,000 persons (including 800,000 directly engaged in the manufacture of war equipment). Of the total, more than 260,000 were women (or one person in four). The increase in number of women in industry is shown by the following figures:

One woman in every 186	was employed in industry at	December,	1940
One " " " 70	" " " " " " " "	" " " "	1941
One " " " 30	" " " " " " " "	" " " "	1942
One " " " 24	" " " " " " " "	" " " "	1943

To provide training for the unskilled men and women entering war industry the Department of Labour set up the War Emergency Training Program in July, 1940. Full and part-time classes have been carried on in 125 plant schools and 105 other training centres (including vocational schools) since that time.

Since the inception of the plan, now called the Canadian Vocational Training Plan, to August 31, 1944, 359,610 persons have enrolled under the scheme. Approximately 106,800 have taken full-time pre-employment industrial classes, 59,860 were trained as foremen, 4,300 rehabilitation cases were handled, and nearly 66,000 were given various other types of industrial trades training.

During the war years the manpower situation in Canada has passed through three general phases:

1. From the outbreak of war until well into 1940 there was no planned manpower program in the sense of organized compulsory control and regulation over civilian employment.
2. Partial compulsory regulation over military service and civilian employment began in the summer of 1940.
3. Over-all compulsory control or regulation began early in 1942.

A series of orders-in-council passed in March, 1942, was amended and consolidated in the National Selective Service regulations of January, 1943. These are designed to maintain and increase the manpower available for the forces and vital industries and services by reducing the number of persons employed in less essential activities.