

C171435

- 5 -

PLANT EXPANSION
PROGRAM

The capital assistance program was initiated largely by the United Kingdom in order to convert and expand Canadian productive capacities to arms production. In the early stages, the United Kingdom was responsible for the major share, but towards the middle of 1940 the Canadian Government began to increase its share of the total capital assistance program.

The greater bulk of the commitments was made for the production of shells, gun equipments, and chemicals and explosives.

The total commitment on United Kingdom and Canadian account as at the end of July, 1940, aggregated approximately \$550,000,000. The ownership of new plants and extensions to old plants undertaken by the Canadian Government is vested in the Crown, and this procedure is almost always the same in the case of the United Kingdom.

SECRETARY'S BRANCH

Communications Division

The division received, despatched, and distributed an average of approximately 501 messages per day made up as follows:-

Teletypes	198
Cables	60
B.P.C. Cables	92
Radiotelegrams	48
Telegrams	103

Total 501

This represents an increase of approximately 123 messages per day over the preceding quarter.

Central Registry

The number of files increased from 62,595 to 86,437 (exclusive of secret and confidential files which now aggregate 3,917).

Daily volume of mail handled averaged 2,564 incoming (90 days) and 2,491 outgoing pieces (79 days) - a total increase of 648 for 169 days against 158 days.

Messenger calls handled per day in Building No. 1 - 325, and in Building No. 2 - 300.