

ness the Princess Alice, with us for the past nearly six years. Since their arrival in June, 1940, they have worked tirelessly in the interests of Canada, during a period full of stress and grave concern. To be obliged to be absent from England whilst their country was undergoing such great tribulations was not easy. Their Excellencies made a great sacrifice on behalf of Canada. They have taken their place in the life of this country and the hearts of the people. They will not soon be forgotten.

We are indeed sorry to have them leave, but are grateful that they were able to be with us for even a comparatively short period and that they made such an outstanding contribution to Canadian life. We wish them long life and happiness in the future.

In casual thinking it sometimes seems that the war is a long distance behind us, and we tend to be impatient when in these days of peace some condition arising out of the conflict appears to be unfair or to impose hardships. When it is recalled, however, that Japan surrendered only a little more than six months ago, we must realize that much has been done by way of restoring normal conditions in a short period of time.

The programme of reconstruction in Canada is going forward smoothly. This is due in no small measure to the inspiring and capable leadership of the Minister of Reconstruction (Mr. Howe). It was expected that there would be temporary dislocations, with some unemployment, during the reconversion period; and it is, in fact, true that in some instances these conditions have manifested themselves. But when we compare progress made and present conditions in Canada, with progress and conditions in any other country of the world, there is good reason to feel that our problems are being handled competently. The desirable condition, of course, is full employment and a high level of production, and every effort is being made to attain those ends. There are no grounds for pessimism in the light of results to date.

In a consideration of the problem of reconversion the generally satisfactory relationship obtaining between labour and management in the dominion should not be overlooked, especially in the light of less favourable conditions in this regard prevailing in many other countries in recent months. Due credit for this favourable state of affairs must be given to the Minister of Labour (Mr. Mitchell), whose honesty of purpose and forthrightness are widely recognized. The evident desire on the part of both labour and management to cooperate in solving their problems on a mutually satisfactory basis in the interests

[Mr. Winters.]

of the country as a whole has been commendable. It is hoped it will continue with the minimum of interruption in the difficult days ahead.

War-time controls, regulations and restrictions are being removed as rapidly as present-day conditions warrant. The recent steel situation wherein shortages were brought about by strikes across the border served to illustrate that controls can still be relied upon to further the nation's interests under unusual and emergency conditions. The government's record in the field of national economics during the war and since stands as the best evidence of its desire and determination to exert its special powers in the interests of the national good. Canadians in all walks of life know that these regulations are applied to their advantage and that the government is most anxious to remove what remains of them at the earliest moment that conditions permit. It is very difficult for individuals to look beyond their own immediate problems. Isolated cases of hardship, brought about by regulations, are undoubtedly encountered, but when they are integrated into the national pattern the over-all result is beneficial.

During the war Canada grew, not only internally but in the assumption of a more important and vital part in world affairs. Internally our output of products of all kinds rose to a level believed unattainable prior to the war. This expanded production was brought about through demands generated by the war. Britain and other allied nations relied heavily on Canadian production and we met our commitments. Many of our plants turned out warlike stores which have no place in a peace-time economy. Other facilities produced an expanded volume of their normal run of commodities to meet these heavy external demands. Except in isolated instances we had sufficient man-power to develop the full output of these enlarged facilities, and a condition very close to full employment resulted. Our output was far in excess of that required to satisfy Canadian requirements alone.

The demand for warlike stores has fortunately now virtually disappeared and the need for other of the commodities has decreased. As a further consideration hundreds of thousands of our service men have now been discharged from the forces and have entered the labour market. Therefore, unless we can convert those of our plants which were devoted to this expanded programme to produce goods for which there is a demand, and develop foreign markets, we