OFFICE OF DIRECTOR OF PUBLIC INFORMATION This material, the first of a monthly release, FOR is prepared as notes for speakers; as general information for those who write asking for up RELEASE to the minute information on the Canadian war effort. It will be reviewed monthly so that the figures will be brought up to date. A BRIEF REVIEW OF CANADA'S WAR EFFORT March 31, 1941. GENERAL Canada entered the war on September 10, 1939. Although at that time she was a relatively weak military power, she has in the ensuing twenty months built up a war machine whose actual and potential strength is very considerable. In the years 1936-39 steps were taken to modernize and expand the Canadian armed forces and to prepare measures for the defence of Canadian territory. The 1939 estimates provided about \$64,500,000 for the three services, by far the largest sum ever provided in Canada for defence in time of peace, but the steps which were taken during this pre-war period were necessarily limited by a peace-time budget. Canada entered the war with armed forces whose size was insignificant in comparison with those of European nations, and her industrial plant was operating almost entirely on a peace-time basis. During the past twenty months Canada has steadily diverted more and more of her resources, both human and material into an all-out war effort. The 1941 estimates provide a minimum of \$1,450,000,000 for war; a quarter million Canadians are serving in the armed forces; and the industrial capacity of the country has been turned over to an unprecedented extent to war production.