

committee, consisting of the former president of the Canadian Legion, the deputy minister of the department, and the director of medical services review the whole situation.

The two most important changes made were, first, the frank acceptance of the provision that members of the services discharged while still under medical care should continue to receive their military pay and allowances until treatment is completed and, second, the reduction of the number of treatment classifications from 22 to 12.

In the economic field there was another series of important enactments during 1944 to which I shall refer briefly because of the part which they are designed to play in maintaining purchasing power and employment during the transition period in which our demobilized forces must find their places in civil life.

By the Department of Reconstruction Act, a copy of which is to be found at page 79, of Appendix 1, parliament created a new ministry. Its functions, which are now being merged into those of the new Department of Reconstruction and Supply, are primarily the formulating of plans for industrial development and conversion, and the co-ordination of the actions of all departments and agencies of the Government for the purpose of insuring that transition from a wartime to a peacetime economy shall be effected as quickly and as smoothly as possible.

The Industrial Development Bank Act, a copy of which appears at Page 95 of Appendix 1, is designed to provide capital for the conversion and expansion of small and medium industrial plants.

The Agricultural Prices Support Act, Chapter 29, of 1944, which appears at page 7 of Appendix 1, establishes a board with power to fix minimum prices at which it may purchase agricultural products. The purpose, of course, is to maintain a floor below which farm prices shall not be allowed to drop.

The Fisheries Prices Support Act, Chapter 42, of 1944, which appears at page 35 of the reference manual, Appendix 1, is designed to perform an exactly similar service with respect to fisheries products.

The Export Credits Insurance Act, Chapter 39, of 1944, appears at page 251 of Appendix 1. The purpose of this Act is to assist the speedy development of Canadian export trade by two major devices:

- (a) by establishing an export credits insurance corporation with power to insure Canadian exporters against loss from a variety of causes inherent in the unsettled economic position of customer nations, whose economies and physical resources have been impaired and even shattered by the war.
- (b) by authorizing the government either to make loans to other governments, or to guarantee their securities, to cover purchases of Canadian products. (In this connection, I should mention an important administrative step in the setting up of an imports branch in the Department of Trade and Commerce for the purpose of assisting in the development of two-way trade, thus enabling the purchasers of our exports to make payments in goods as well as in money.)

The Surplus Crown Assets Act, Chapter 21, found at page 147 of Appendix 1, sets up a corporation and an advisory committee for the purpose of disposing in an orderly manner of the vast quantities of surplus military and other equipment, including industrial plants, the property of the Crown. The importance of this measure in the reconstruction period is best indicated by a negative proposition, that is, the damage that could be done to established business and trade channels if these great quantities of materials were suddenly dumped on the market. One purpose of this Act is to see that these goods are disposed of in such a manner as to assist, rather than break down established channels of trade.