

Organizations set up to administer these controls have operated on a very liberal basis and have so far gained their ends largely through the co-operation of the interests involved. The net result of such measures to date has been that Canada has been able to finance her own war effort, to pay for purchases abroad and to provide Great Britain with financial assistance. No serious shortage of any essential raw material or consumer's commodity has occurred. The cost of living has risen only about 7%.

#### MUNITIONS AND SUPPLY

Every large Canadian factory from Nova Scotia to Vancouver Island has been turned over wholly or in part to war work. Steps are being taken to increase this diversion of industry from ordinary to war production by a system of zoning. Between 330,000 and 350,000 additional men have been absorbed into industrial employment since the outbreak of war. Thousands more are being trained every month in technical and plant schools throughout the country. As many as a hundred thousand may be trained in this way in the course of the year. Since the war began, the British and Canadian Governments have underwritten capital advances of over \$380,000,000 for the expansion and equipment of Canadian industry. New plants have been built and old ones extended.

This undertaking has constituted Canada's main industrial war effort during the first year and a half of the war. Over 60% of the 1938 construction capacity of Canada has been turned over to war work, and in addition to industrial construction the construction industry has undertaken 630 Air Force, 98 Army and 28