

Buildings being constructed as rapidly as possible. Contracts now being awarded without calling for tenders, on basis of prices set in earlier tenders. Prices being dictated to contractors.

Air fields and physical equipment will be in readiness for stepping up air training at any time.

Aircraft:

Deliveries of aircraft from all sources in last six weeks amount to 50 per cent of total deliveries in preceding seven months.

Estimate of military aircraft production in Canada for all purposes: 1940—1,028; 1941—1,583.

Shipbuilding:

Twenty shipyards engaged in production of 90 vessels, including minesweepers, anti-submarine craft and armed patrol boats. Production well in advance of schedule time.

Three high-speed merchant ships being converted to light cruisers for convoy duty will be in service shortly.

Some projects under way:

Construction of 82 aerodromes.

175 construction projects, including coastal fortifications, submarine defences, hangars, etc.

9,000 motor vehicles on order, costing \$14,000,000. (3,000 already delivered overseas.)

War munitions being manufactured at a cost of \$80,000,000.

One large explosive plant under construction; a second being organized.

Production of small arms ammunition being expanded as rapidly as equipment can be installed.

Ample supply of clothing, boots and personal equipment being procured. Industry producing at full speed to meet future requirements.

Safeguarding of raw materials:

Department of Munitions and Supply with assistance of Wartime Prices and Trade Board has taken steps to protect sources of outside supply to ensure against a shortage of raw materials.

Constant study given to the increased use of Canadian materials in the production of supplies.

On the very day when war was declared by Great Britain, the Government hastened to appoint a War-time Prices and Trade Board under the chairmanship of Hon. Mr. McLarty. It was composed of very able men from the Government service. It had to direct its energies towards the prevention of profiteering, of hoarding, and of any undue enhancement in the prices of the necessities of life.

The board has now been functioning regularly since its appointment. In that time it has maintained the distribution of the necessities of life at fair and reasonable prices. It has so far successfully checked hoarding and has effectively curbed those who might have been tempted to turn national needs and perils into profits. It has dealt with many thousands of complaints respecting half a hundred necessities of life, and has investigated the proper distribution of a great many

commodities, a few of the more important ones, by way of illustration, being wool, leather, coal, beans and sugar.

The work which this board has performed can perhaps be best illustrated by the action taken in the case of sugar. Before the board had been appointed the run on sugar had commenced. Housewives were protecting themselves against the anticipated rise. Between twenty-five and thirty million pounds of sugar were removed from circulation. Complaints came pouring in by the thousands. The board summoned the sugar refiners, who agreed to increase by 25 per cent their normal release in September, without any increase in price. The board made a wide inspection of the retail stores, which were selling the sugar as rapidly as they could receive it. Apprehensive housewives kept buying. In the Okanagan Valley sugar was wanted to save from rot two thousand cars of fruit. The sugar was furnished. Two hundred beekeepers threatened to destroy their colonies of bees if not supplied with sugar. They got the sugar. Manufacturers, large and small, would have had to close their doors if they had no sugar. They were furnished with sugar.

The board then appealed to the refiners and to several large industrial users of sugar, who made a generous response. September alone absorbed forty million pounds of sugar above normal consumption.

On the 3rd of October, 1939, the board appointed Mr. S. R. Noble as Sugar Administrator. To prevent a panic, Mr. Noble and the board recommended a temporary suspension of the dumping duty on refined sugar. This recommendation was carried out. The board appealed to the British Sugar Controller, who was then about to purchase all the raw sugar grown in the British Empire. Through the British Sugar Controller, Canada got in its raw sugar requirements of 450 tons a year, at practically pre-war prices. We can now look forward to a reasonable stabilization of sugar prices for the duration of the war.

At the same time the board has had to deal with other commodities, one of the most important being wool. It succeeded in that field as well as with sugar. Without the intervention of the board the price of wool would have risen to unprecedented heights. Sugar and wool are cited to illustrate the functioning of the Wartime Prices and Trade Board. Many other examples could be brought forward.

Hon. Mr. McLarty, in his broadcast statement in December last, touched upon an