

Question 4

What measures are being taken to eliminate unemployment?

Answer:

Interpreting this question to refer only to current unemployment, Canada's labour problem has been and still is one of shortage of workers rather than unemployment. To meet the shortage, immigration has been encouraged, training courses have been developed (under both Dominion and provincial auspices), and a number of less essential public projects have been deferred. The placement facilities of the National Employment Service have minimized the time that would otherwise have been lost in moving from one job to another and helped to keep frictional unemployment at a minimum. In the four or five points where local unemployment developed, transportation was given to workers to other points where jobs were provided through the National Employment Service. These measures are, of course, in addition to the general policy for maintaining employment outlined elsewhere in this report.

Question 5

(a) What elements in present Government policy are aimed at preventing a decline in economic activity in the future?

Answer:

1. Promotion of world trade

Because Canada's prosperity is so heavily dependent upon her exports, one of the most important aspects of the Government's present economic policy is the encouragement given to trade - not only in the promotion of Canada's trade with other countries, but in the restoration of world markets through support of international measures designed to help achieve this result. Canada has taken an active part in the establishment of the International Trade Organization and in the negotiation of the Geneva Trade Agreements, as well as participating in such world organizations as the International Monetary Fund and the International Bank for Reconstruction and Development. Support has also been given to the European Recovery Programme, as a means of rebuilding the Western European economy on a more stable basis, and very substantial credits have been extended to foreign governments for financing Canadian exports to our traditional markets. Measures have been taken to facilitate trade with governments of other countries and to improve commercial relations between the Canadian exporter or importer and his counterpart in other countries. The expansion and strengthening of the Commercial Intelligence Service, the efforts of the Canadian Commercial Corporation and the various agricultural boards to smooth out trading difficulties and find markets for Canadian products, are all measures working toward a continued high level of Canadian exports. Insurance against credit loss through the Export Credits Insurance Corporation is making it possible for Canadian exporters to carry on trade with countries where economically as well as politically the situation is still unsettled.

2. Exchange Control

Control of the exchange value of the Canadian dollar through the Foreign Exchange Control Board and the effectiveness of the Emergency Exchange Conservation Act in stopping the drain on dollar reserves are stabilizing factors in the economic picture.

3. Encouragement of greater industrial development

Recognizing the need for greater diversification in Canadian industry and a strengthening of the industrial base to offset to some extent