

# MINISTER OF RECONSTRUCTION CONFIDENT REGARDING FUTURE

## Howe Outlines Industrial Situation at Press Conference Before Holiday

Ottawa, Feb. 11.—(CP)—Canada has about reached the half-way mark in its reconversion problems, Reconstruction Minister Howe said to-day.

### Industrial Horizon

Scanning the industrial horizon at a press conference, the minister, who leaves this week for a rest on the west coast, looked to the future with confidence.

"The general factors are all favourable," he said. "Industrial employment is stepping up steadily and a number of plants are beginning to take on their post-war complement."

At VE-day there were about 1,600,000 Canadians who faced the prospect of job changes, most recent figures showed 300,000 still in the armed forces and 250,000 unemployed. Unemployment was attributed to discharges from the forces and war industry lay-offs coming at a time when Canada almost always experienced seasonal unemployment.

The worst upset in industrial conversion was in the automobile industry, with General Motors closed down as a result of the strike in its United States plants; Ford just recovering from its 1945 Windsor strike, and Chrysler behind in production.

All three companies faced the prospect of a complete shutdown if the American steel strike continued. From November, when the ban on passenger car production was lifted, until January 31, Canadian plants turned out 2,640 passenger vehicles. Trucks shipped in the same period numbered 7,224.

Puffing a cigar, the minister sat at a desk flanked by officials as he discussed industrial conditions and answered a variety of questions. Periodically he glanced over his glasses at a questioner or thumbed the pages of a reference book for specific figures.

### Exports High

Exports were far above the level required for full employment and they would continue high this year and next as a result of export credits, if for no other reason. The domestic market was strong and would continue to increase as goods became available.

Turning to public works Mr. Howe said the Government was anxious they should be held back so as to prevent interference with ordinary construction work. Launching of public projects would take men and materials which were urgently needed for housing. Housing programs would be stepped up as materials became available. "I believe a very good job is being done by War Assets," he said. "United States after trying several plans adopted the Canadian plan—even to the name of the corporation — within the last month."

The job was a difficult one and it was inevitable that there should be occasional slips and some attempts at dishonesty. Much had been made of a Hamilton sale which was being investigated by police but only "a few thousand dollars" was involved.

### New Program Cost

The new arsenal program designed to keep Canadian industry ready for quick conversion to war production would cost about \$3,500,000 a year.

With a glance at air transportation, for which he also is the responsible minister, Mr. Howe said Canada had an agreement with Australia and New Zealand for a new service which would have its Canadian terminus at Vancouver. Establishment of the service was held up by the lack of planes.

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