

and base metals. There is a relatively small number of materials of which we would be short. They would probably include chrome, manganese, tin, antimony, quartz crystals and possibly others. There are, I understand, possible Canadian sources of some of these and we might obtain supplies of others even during a war through trading our surpluses of scarce metals. However, we have been assessing the situation regarding these materials and have asked the Industrial Defence Board for advice concerning them. The enquiry on the procurement of requirements will develop information which will be most useful in assessing shortages.

Rubber is another material of crucial importance. While the crown company, Polymer Limited, produces artificial rubber, we should need natural rubber and the Industrial Defence Board is advising on a plan whereby sufficient stores of this could be obtained and turned over by industry.

8. What about steel?

Answer:

The most important single factor governing the extent of Canada's defence preparedness and war potential is steel. Canada, like every other nation, is short of steel. Where during the six years of war, the United States increased her steel production by 70 per cent and the United Kingdom just about held her own, Canada increased her production by 97 per cent, and yet in peacetime our own production is still perhaps 50 per cent short of what we need. To make steel needs coal, iron ore and plant which itself would take a large amount of steel.

With our present day steel shortage we cannot even satisfy all our civilian requirements. The steel needed to build the Arctic ice breaker for the Navy or other weapons of war must subject our supply to even greater strain.

Because of the equipment we have on hand, our peak requirements for steel would not occur during the first year and it would be possible to meet at least the most urgent needs during this period by diversion. By that time, however, other countries might be looking to us for equipment, further increasing the demand for steel.

The situation is such that serious consideration must be given to the question of building additional capacity. With the development of the country we can look forward to if there is no war, it would appear as if a reasonable expansion of steel production would be in the interest of the country for peacetime as well as defence purposes.

9. What about trained manpower requirements?

Answer:

In the modern armed forces more than half the personnel are highly trained specialists or tradesmen. The three Services have schedules of the kinds of skills - the number of additional carpenters, mechanics and wireless operators - that would be required. These are being given to the Department of Labour, which will consider them in conjunction with the ordinary and extraordinary needs of the civilian economy and then seek the advice of the Industrial Defence Board on what can be done to meet this need so as to leave as small a proportion as possible to be trained after the emergency is declared.