

MR. CLAXTON SPEAKS ON "INDUSTRIAL DEFENCE OF CANADA"

MODERN PLANNING: The Minister of National Defence, Hon. Brooke Claxton, made an exhaustive review of Canadian defence plans in a speech before the Annual Banquet of the Canadian Ordnance Association in Montreal, October 7. The title of his address was, "The Industrial Defence of Canada." During his remarks he presented a series of questions, to which he gave answers, in part, as follows:

"Will there be war?"

"Answer: Since the war, the Soviet's manifest intention to carry on the aggressive promotion of communism everywhere by all means short of immediate war has challenged every sensible people who want to stay free to look to their defences. Canada, like the United States, is vitally interested that like-minded nations pool their strengths as the best way to prevent and if necessary to stop aggression.

"Obviously, as Western Union becomes stronger, any chance that there might be of the Soviet Union winning an aggressive war will become less. The Soviet Union has pressed her efforts to drive the United States, Britain and France out of Berlin. It is this effort and the willingness to run the risks which it involves that has added tension to the present situation. I don't believe that the Russian people or even the Soviet leaders want war today; but their intransigent attitude has increased its possibility. Even if the situation in Berlin should improve, there will be other points of tension and difficulty until the Russians begin to seek the welfare of their people rather than the extension of their power. War is not inevitable - of course it isn't - but neither is peace inevitable, and until the chances of peace improve, we have got to prepare to defend ourselves.

"How is defence planning carried on in Canada?"

"Answer: The responsibility for overall policy with regard to external relations and defence rests in the Cabinet.

"There is a standing committee on Defence which reports to the Cabinet as a whole. The Defence Committee is presided over by the Prime Minister with the Minister of National Defence as Vice-Chairman and the Ministers of Trade and Commerce (that is Munitions and Supply), Finance and External Affairs.

"What is the role of the Industrial Defence Board?"

"Answer: The Board was appointed by the Governor-in-Council on April 20, 1948, to advise the Government of Canada and the Minister of National Defence on all matters relating to the industrial war potential of Canada; to prepare and keep up to date a plan for industrial production in the event of war;

to arrange for such liaison between the naval, military and air forces of Canada, the Canadian Ordnance Association, Canadian Arsenals Limited and other agencies and industries as will ensure an understanding of defence needs and the active co-operation required to meet such needs; to encourage the standardization of specifications and industrial practices; to advise on the location of industries and on the development, procurement, inspection, storage and distribution of material and equipment and the maintenance of reserve stocks; and to take such action in respect of other matters as may be requested by the Governor-in-Council or the Minister of National Defence."

"How will procurement be organized?"

"Answer: At the close of the war, as the Department of Munitions and Supply was gradually demobilized, its records, its procedures and a good many of its key personnel were formed into the Canadian Commercial Corporation which is a government agency reporting to the Minister of Trade and Commerce. The Canadian Commercial Corporation does all the purchasing for the Navy, Army and Air Force and for several other government departments....

"How will procurement be planned?"

"Answer: Planning can't be done in a vacuum and planning which is unrealistic is dangerous. Democracies are more efficient than dictatorships - they produce more goods at lower cost - because the highest efforts of individuals or business are usually voluntary efforts. This doesn't mean at all that there should be no planning but our planning must be designed to tell us -

"What are the most urgent needs?"

"What things we should do first in order to meet those needs?"

"How and when and by whom those first things should be done?"

"We decided that what was needed was first of all an indication of the size and composition of the forces that would be employed during the first year after the outbreak of war or after the start of a full all-out effort after a state of emergency had been declared.

"We made detailed schedules of what the Navy, the Army and the Air Force would need in the first year; we then saw what we had; made subtractions, and the result was the net requirements we would need. These schedules have been prepared in complete detail down to the number of every article of every type of equipment and spare part. Since the figure has no military significance, I can tell you that the total number of items required for the Army alone will be 171,381,981, and that doesn't include spare parts....

"Will the government 'stockpile' strategic materials in short supply?"

"Answer: As you would expect, consideration has been given to the advisability of buying and storing quantities of strategic materials which might be in short supply in the event of a war. In the supply of materials, Canada is one of the most fortunate countries as we have a surplus of a great many strategic materials and are in fact the largest exporters of nickel, asbestos and base metals. There is a relatively small number of materials of which we would be short....

"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....

"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....

"What is being done about the standardization of material and component specifications?"

"Answer: During the first and second world wars the Canadian forces generally used equipment of British design, some of which we made and some of which was obtained from Britain. Seventy per cent of the vast supplies of materials we made was used by other countries. This Hyde Park Agreement of April 1941 accelerated the movement towards the integration of the industrial and economic potentials of North America. Generally speaking, it is not economical for us to make many items of equipment just for our own needs - the run is too small. We must devote our productive capacity to those things which we can do best and exchange our surpluses for things we need. This

implies interchangeability, which in turn requires standardization....

"What progress is being made in the standardization of weapons and equipment types?"

"Answer: Because of our close relations with Britain and the United States, Canada is vitally interested in standardization of design. There is no obstacle in Canada. But as you know, this is not easy to bring about. Much as one would like to do it, no one is going to scrap serviceable rifles in order to adopt the .300 calibre and the rimless cartridge. In the Canadian Army we have a complete schedule of the weapons in respect of which we are prepared to adopt American designs.

"When and how this can be done is being worked at; while it can't be done easily, it can't be done too quickly....

"Standardization of design is being carried on directly between each service....

"As Canada would only be fighting in close association with either British or American forces, we are therefore taking steps to familiarize our men with the techniques of both....

"Moreover, we have adopted much the same communication systems, battle procedure and battle orders. We have had so much exchange of personnel and information that there would be little organizational difficulty in working together in tactical co-operation....

"What is to be done about industrial defence planning with the United States?"

"Answer: This was planned in the continuation of joint defence arrangements announced in the Prime Minister's statement on February 12, 1947. Until recently neither country has placed orders for any considerable quantity of defence materials and planning had not advanced to the stage where peacetime defence needs could be accurately foreshadowed. Now that the United States and Canada are simultaneously surveying requirements and procurement capacity, we are taking steps to work out arrangements to plan and carry out the logical utilization of the resources of both countries.

"What is being done about the development of new weapons and to maintain or increase productive capacity necessary to meet strategic requirements?"

"Answer: The aviation industry is probably uppermost in your minds. As you know, few countries the size of Canada produce any planes at all. The ordinary internal market is too small for economic civilian production and exchange difficulties curtail exports. But in Canada we have great potential productive capacity and the industry should be kept alive. We have so far been following the policy of assisting to keep together some essential