

Our third objective is to build up the staffs, training facilities and stores to enable us to make an all-out effort in the shortest time. Our aim is to have enough equipment and supplies to see us through the first year of a general war.

This means having 100 ships in the R.C.N., expanding the Army and Air Force for the defence of Canada, maintaining and supplying our force in Korea, and building up the Army and air units in Europe to play our part under the North Atlantic Treaty Organization. It involves the establishment of 40 squadrons of aircraft, requiring 3,300 new aircraft.

This is going to be a big effort, especially from the point of view of manpower. We have today in the Canadian Navy 12,000 men, in the Army, 43,000, and in the Air Force 25,000 men, making a total of 80,000. In addition, there are 31,000 civil servants in the Department of National Defence. They are employed in dockyards, ordnance depots, as drivers and clerks, thus relieving the members of the armed forces. With the civil servants, the total personnel of our armed forces is 111,000. In the full time armed services alone we have taken on 32,000 men in the last twelve months. The rate of intake has been what is required to meet all requirements.

We had on March 1, 1948, a total of 34,000 in the armed forces, compared to 80,000 today, or two and a half times as large. To meet by 1954 all requirements now foreseen we should have in the three armed services and in the Civil Service of the department more than 150,000 full time personnel. From every indication it looks as if we can meet that target a good deal before the set date. It will be met just as soon as possible.

Each year 110,000 young men attain the age of 18 years. Of these, possibly 75 per cent will be physically fit. Entries into the universities amount to about 15,000. From now on we shall be taking quite a considerable proportion of these into the armed forces.

Turning to materials, let me give one or two figures to show what is involved.

In 1949-50 we spent \$244,000 on defence equipment, construction and supplies. In 1950-51 orders were placed for \$800,000,000 represented by 112,000 contracts. We have placed or shall be placing in 1951-52 orders for a total of \$1,500,000,000, representing about 75 per cent of the defence budget. This can be assessed by comparing the amount of contracts let for equipment, construction and supplies during the first six months of the Second World War, of \$136,120,000, with the corresponding figure for the last 6 months of the last fiscal year. That figure was \$520,266,000 or nearly four times as much as in the first six months of the Second World War.

I have dealt with men and materials, then there is the question of money. Available for Defence in 1951-52 is \$1,879,000,000, representing 47.5 per cent of the national budget, 11.6 per cent of the national income, 9.4 per cent of the gross national production. At the peak of the Second World War, we spent about 45 per cent to 50 per cent of our national income on war. Today we are spending approximately