

now being negotiated. Engines for all planes produced in Canada are imported.

The production of automatic weapons in Canada is reaching gratifying proportions. One Canadian factory, which began production before the war and is now manufacturing much ahead of schedule, will soon have the largest output of any automatic gun plant in the world.

Fourteen types of land and naval gun, including latest type of anti-aircraft and anti-tank guns, and ten types of mountings, are now being made or are soon to be made in Canada. Mortars are now being turned out, and 25-pounders are in production.

Ten of Canada's nineteen chemicals and explosives projects have begun to produce. Four more will be in production by the middle of the year. One of these plants is equal in size to the largest similar plant in the British Empire. Total production of explosives this year should exceed the entire Canadian output during the first Great War. Twelve types of chemicals and eight types of explosives are being turned out.

Small arms ammunition factories are producing tons of millions of rounds monthly and are capable of increasing production, should this be necessary.

Shells and shell components are being produced in many factories well up to schedule. Nine types of gun ammunition a month are now being turned out at the rate of millions of rounds a year. Aerial bombs, and rifle grenades, are being turned out.

190,000 army mechanical transport vehicles have been ordered in Canada and more than 100,000 of these have been delivered and are in service. The majority were exported to Britain and Empire countries. They were used to a great extent by British forces against the Italians in Libya.

Armour plate of a high quality is now being made in Canada in preparation for production of two types of tank in Canada. Tanks have already been built for test purposes.

Steel production has increased tremendously in Canada. The 1935-1938 average was 1,300,000 tons a year. It is now estimated that production is at the rate of well over 2,000,000 tons a year.

Production of alloys is ten or twelve times the pre-war level.

Canada's mineral output in 1940 was 11.5% greater than in 1939 and constituted a record. This mineral production provides supplies of nickel, zinc, copper, aluminum and lead -- all metals vital to mechanized warfare. Canadians have greatly curbed their use of such metals for non-war purposes. A striking example is the reduction of non-war consumption of aluminum from 1,000 tons a month to 25 tons a month.