

D29335

2.

in case of war was envisaged by the Minister of Finance when the Defence Purchasing Act was under discussion in the House. Mr. Dunning said: (Hansard, March 29, 1939, p. 2591) "And of course if - God forbid - war

Y
should come and we have to consider the results of war inflation of one kind and another, outside of this measure altogether we shall have to evolve schemes for profit control which will apply not only on purchases by the Department of National Defence. I think there is no doubt we would come to that."

But ~~the~~ Government are ^{now} faced ^{this} at the same time with the necessity of providing speedier and more comprehensive machinery for coping with the problem of defence require-

ments in war time. ^{But the} ~~the~~ problem is no longer confined to the purchase of ^{day to day requirements on a com-} ~~ammunitions and munitions on a compara-~~ ^{paratively limited scale - The} ~~tively limited scale.~~ Under war conditions, the problem ^{now} ~~is~~ broadened to include ^{include planning not only for munitions, but perhaps} the whole question of the supply of materials of all kinds, directly or indirectly necessary for the prosecution of the struggle. ~~The Defence Purchasing Act is not broad enough in its terms, and the Board has not sufficient powers to deal with the whole problem.~~

(Page 3 of statement already given to PM. follows immediately)

(Plans ahead further than that)