

The shipbuilding programme is another important part of our defence effort. Upon it depends our ability to keep our sea-lanes open during time of war. Submarine warfare was one of the great threats to the survival of Britain and Europe during the last war, and will be an even greater menace in the next war. We are concentrating on building high-speed vessels equipped with every known device to meet the threat of modern submarines and mines. Great strides have been made with our shipbuilding programme.

Another specialized field in which Canada is making an important contribution is that of defence research. Our work bears upon Arctic warfare, problems of radio transmission in Northern Canada, and defence against atomic, chemical and biological attack. We are also conducting investigations in the fields of guided missiles, electronics, medical research, aeronautics and anti-submarine warfare.

I could give you much more detail about our defence programme, but perhaps I have said enough to indicate that the programme is gathering momentum. However, there are other factors to be considered. Our approach to national defence must necessarily be many-sided. We must first build up our military strength, but, at the same time we must develop the resources that are needed to sustain a long struggle; and, in addition, the civilian economy must be kept on an even keel. That is why, in considering our defence effort, we must keep in mind all the different aspects, for in this day and age there is little that goes on in the country that does not affect our common defence effort in one way or another.

Charles E. Wilson, Defence Co-ordinator of the United States, in one of his earlier public statements, said that military production is not the only criterion on which a country's effort should be based. Production of materials essential to the strengthening of the free world, the maintenance and expansion of essential services and production facilities, as well as the minimum essential civilian requirements, must also be considered.

And so we have been expanding our economy as rapidly as possible. Something like 22 per cent of our national income was devoted last year to capital investment, and a large part of this will result in increased production of materials that were in critically short supply. Steps can, and have been, taken to assist and facilitate investment in the fields of direct defence and defence supporting industries, and to discourage less essential investment.

Again I am embarrassed by riches of illustration of what happened in 1951. A two-thirds increase in the production of oil in Alberta and the opening of a pipe line bringing that oil to the head of the Lakes, the beginning of the great Kitimat Aluminum project in British Columbia, the building of the railway to bring iron ore from the vast mines of the Quebec-Labrador, a one-seventh increase in the output of hydro-electric power -- these are a few items that come to mind, but there are others equally important.

May I make special mention of atomic energy activities in 1951. In that field we made important decisions that will have a profound effect on Canada's future in this new field. Our explorations for uranium have been outstandingly