

THE DOMINION SHELL COMMITTEE

THE Dominion Shell Committee, appointed a year ago by the Borden government at the suggestion of the Imperial government, has been reconstructed and the management of shell production in Canada is now in the hands of a new committee known as the Imperial Munitions Board. The Dominion Shell Committee has been dissolved apparently as the direct result of representations made to Premier Borden and his government by Mr. D. A. Thomas, the personal representative of the British Minister of Munitions, who was sent to Canada to investigate the whole matter of shell production in Canada. That the old Shell Committee is thus superseded and is supposed to disappear from public view does not mean, however, that its activities during its year of life are to remain a closed book. It has been made abundantly plain that public sentiment demands that there should be a full and open investigation of all its business.

The Borden Government Responsible.

The Dominion Shell Committee was appointed by the Borden government in response to a request from the Imperial government that the shell-making facilities of Canada should be organized to help meet the demands of the hungry guns at the battle front. It matters little whether the Committee was named by Sir Sam Hughes personally, as he has claimed, or by Sir Robert Borden or by the Cabinet in Council. The fact remains that the Borden government was and is responsible for the appointment of the Shell Committee, and is therefore responsible for its actions. All Canada is concerned in that responsibility and shares the humiliation and disgrace which came when a representative of the Imperial government, investigating the whole affair on the ground, found the conditions such that the Dominion Shell Committee had to be relieved of its work.

What the British Representative Discovered.

Mr. D. A. Thomas, personal representative of the British Minister of Munitions, after a few busy weeks in Canada, made plain his finding that the Shell Committee had failed to get the result that might have been expected. He found prices unreasonably high, delivery altogether too slow and the volume of production far short of what was needed and expected.

Mr. Thomas found, and publicly announced his finding that **"the profits of the manufacturers were higher than they were entitled to."**

Mr. Thomas found, and let it be known by the plain inference to be taken from his diplomatic public statement, that the Dominion Shell Committee was composed largely of men who were personally and financially interested in certain large corporations which had succeeded in getting a substantial share of the shell orders at extravagantly high prices. The personnel of the committee affords justification of this finding, as it included Col. Cantley, head of the Nova Scotia Steel Company,

Mr. Watts of the Canada Foundry Company, Mr. E. Carnegie of the Electric Steel & Metal Company of Welland, while the chairman, General Bertram, is reputed to be still largely interested in a large plant at Dundas which bears his own name.

Serious Charges in the Press.

Leading newspapers and trade journals in Canada have charged that middlemen figured largely in shell and shell-box contracts, that manufacturers seeking orders were held up for heavy commissions by men who claimed to have the handling of the contracts, also that firms and individuals who could not themselves do this work received large contracts which they sub-let, at good profits to themselves, to bona fide manufacturers who were unable to secure the business direct.

The outstanding proof of the shortcomings of the Dominion Shell Committee is the simple fact that it was found wanting and therefore was "fired." That the firing was done with some ceremonious delicacy does not alter the fact. It was fired.

That these charges are well founded is apparent from statements coming in one form and another from nearly every part of Canada. Even in the constituency represented in parliament by the Minister of Militia himself, there are men credibly reported to have openly boasted of the contracts which they were able to secure and sub-let at fat profits although they were in no way connected with plants that could do the work.

Five Kinds of Shells.

The manufacture of shells in Canada has been shrouded in a good deal of mystery and there has been little public information as to just what work has been done. It may therefore be news to many that five different types or sizes of shells have been made; the 15-pound shrapnel, the 18-pound shrapnel, the 18-pound high explosive, the 4.5" Howitzer and the 60-pound high-explosive and perhaps other sizes. Newspaper comment on the prices paid has been more or less without exact information as to these different types and sizes, with the result that there has been a good deal of confusion created in the public mind. It may therefore be of interest to give here information which has been gathered throughout Canada as to the prices paid for "assembling" and "machining" these shells, which is the only work done by most of the contractors, as the material, in its crude steel form, known as "billets," has been supplied to them from the large steel plants. Also there is information based on the investigations of engineers and experts and other investigators whose conclusions as to actual cost as compared with contract prices have been published in various papers.

Variations in Contract Prices.

For the 15-pound shrapnel shells, the contract prices for machining and assembling have ranged all the way from \$5 each down to \$3 each.

For the 18-pound shrapnel shells, large early contracts at as high as \$5.15 each later ranged down