

from the government the responsibility of placing orders for aircraft production, and placing orders for assembly. In other words, it was just to mobilize the industry to produce Anson aircraft planes. That is the intention of it, although its first job was to redesign the Anson plane.

I think its first and most serious mistake was that the magnitude of that job was underestimated. It was only in the later period when that was discovered, and when the general managership was put in other hands, that we finally got the design to a place where the subcontractors could go full-out on certain parts of the operation.

My hon. friend said this company was not set up to manufacture aeroplanes. That is true, but strong representations were made to me by the president and his board of directors, on the recommendation and I think on the insistence of the then general manager, that Federal should be permitted to run a small manufacturing operation of its own in the city of Montreal in connection with the operations of the company. The reasons advanced to me were that in aircraft design it was necessary to be able to follow the designing work with the actual manufacture, and I was advised that this could not be done as well in another plant. I was also advised that it was desirable to have the company itself build its first flying mock-up, as it is called, of the final craft, complete with engine and propeller, so that its performance could be tested. I agreed to that somewhat reluctantly, because I was very anxious that the government itself should keep away from manufacturing problems. I brought the entire board of directors to Ottawa at the time and tried to convince them that they could accomplish the desired results in another way. However, they were insistent, and to-day they have a small manufacturing operation of their own, building Anson fuselages in Montreal. This small operation is carried on in rented premises and is not important in regard to the entire programme.

The company has carried on, and a great number of subcontracts have been awarded. Direct subcontracts were let to Boeing of Vancouver, MacDonald Brothers of Winnipeg, Canada Car and Foundry of Montreal and Amherst, Cockshutt Plow of Brantford, Massey Harris of Toronto, de Havilland of Toronto, and Ottawa Car and Aircraft of Ottawa. Arising out of these contracts there is a vast list of component manufacturers, as naturally there always are in the aircraft industry. I have here perhaps twenty or thirty closely typed sheets of names of manufacturers producing components.

The work taken on by this company was of great magnitude. I think it is fair comment to say that in the early stages the directors were a bit at sea. They had to rely pretty well on Mr. Moffett, the general manager, who, as I have said, was head of the aircraft industry at that time, and whom I had always heard mentioned as the number one aeroplane designer in Canada. He had been formerly employed by Vickers, and I think was responsible for bringing Vickers into the manufacture of the Stranraer flying boats and the Delta. I do not wish to cast any aspersions or in any way reflect on Mr. Moffett's work, because I know he gave the job every ounce of energy he possessed; but it turned out, as I think Mr. Moffett would agree, as it often does, that while he was a first class designer he was not a good executive, and perhaps the directors did not realize this as soon as they should. However, he was released and the change was made. The directors went to the Canadian Pacific Railway and secured the full-time services of its chief mechanical engineer, Mr. Newman. I know little about Mr. Newman's designing ability but I will say that he is one of the best executives I have seen in action since I have been connected with this particular work. Mr. Newman has pulled this affair together in what I consider a marvellous way, and to-day I believe the Anson programme is well on its way.

As I have said, both within and without this house people have blamed the non-delivery of Ansons for the fact that our air training programme is somewhat short of twin-engine trainers. In our most optimistic moments we never expected that we would get any substantial production of Avro-Anson planes until March; and in our calculations endeavouring to cover the field we had never dreamed that we would get Canadian-built Avro-Ansons until that time. The first promise of the company, made as I say in November, after they had a chance to look over the job, was that they would fly a plane in March and make substantial deliveries in June and July. I have every reason to believe that this promise will be carried out. That was also Mr. MacMillan's view. He said it might be a little later than July, but that if we took a few steps which he recommended they should do better than that. Those steps have been taken, and I think we will do much better; but there again that is only my own statement. I do not wish to bind the company to anything more than the promise they made in November, 1940, that there would be substantial production of Avro-Ansons in June and July. A Canadian built Avro-Anson has flown, with a Jacobs engine and a Canadian-built propeller.