

*War Appropriation Bill*

In the matter of mechanical transport, there we have a well organized industry, one of the best organized in Canada, and one of the most efficient. It was able to turn its facilities over to the manufacture of mechanical transport and universal carriers. It has met every strain put upon it. That industry in Canada has been so efficient that Great Britain has not found it necessary to enter the great market across the line for the purchase of motor transports.

In the matter of chemicals and explosives we have lived up to every prediction. Our first huge explosive plant was brought in two months ahead of schedule, and to-day not only is it producing at capacity, but it is producing about twenty-five per cent over capacity. The balance of the programme is well up to schedule. No plant is seriously behind schedule, and there are several plants well ahead. So that we have nothing of an adverse character to report in connection with chemicals and explosives.

Shells and shell components. Here again we are well up to schedule. We had in Canada a great number of manufacturing plants that had made shells during the last war, and which were able to step quickly into production at the beginning of this one. They have been able to maintain every promise we exacted from them when we placed our shell orders. The same applies to components—that is fuses, time fuses, gains, and all components which go into the finished loaded shell. That work is well up to schedule, and there again I can think of no situation which should be called to the attention of the committee as being out of step. I might say that we are producing to-day about 350,000 shells a month, a million every three months.

With respect to steel production, we have made a tremendous expansion. If I were to give the figures for steel production in each of the last three years I believe I would have hon. members correcting me again, and making the suggestion that I must be mistaken. Since the war started we have greatly enlarged the potential steel capacity of Canada, and that industry is producing as much as, in fact more than, we ever expected of it.

Alloys production. Here again we have stepped up the industry to ten or twelve times its pre-war capacity. Plants have been coming in from time to time, and production is fully up to schedule.

Small arms ammunition. Here again we are meeting with great success. The production of small arms ammunition constitutes one of our largest programmes. Each plant has come in either when scheduled or before scheduled. The quality of the ammunition is exceptionally

[Mr. Howe.]

fine. I think we are making to-day about 80 per cent red label ammunition, as against about 40 per cent on orders placed at the same time in the United States. "Red label" ammunition means ammunition used in aircraft. It must be of the highest quality, and is especially tested for that purpose.

Now we come to the branches of the department which are not fully up to schedule, the first of which is aeroplanes. As I said a few moments ago, here we have a mushroom industry which has expanded rapidly, an industry with no background in this country, whose only designing talent has been that created in this country in the last few years. We have been taking new men into this industry in tremendous numbers, giving them brief training and putting them in as production mechanics. I intend to give a comprehensive statement of what has been accomplished, and I do not think Canada has anything to be ashamed of in that connection, though I am frank to say that we cannot predict what will be done in this industry with anything like the accuracy with which we can predict developments in other branches. As a matter of fact our predictions for every branch of the aeroplane industry have been somewhat too optimistic.

Then we come to tanks and universal carriers. As I have said, these universal carriers are up to schedule. Production was a bit late in starting, but to-day it is what we anticipated. I think the programme actually was about two months late in starting, but I do not believe there will be any great difficulty in regaining that lost ground, because it is going exceptionally well. In the matter of tanks we have reliable industries, with wide backgrounds of manufacturing experience, undertaking an operation with which they are totally unfamiliar; with which, as a matter of fact, everyone in this country is totally unfamiliar. The main contractor for the infantry tanks is the Angus shops of the Canadian Pacific Railway, and we have drawn freely on the best mechanical talent of that company. We have other first-class manufacturing shops working with them in the manufacturing of components, and we are going to get tank production shortly. Just when that will be it is hard to say. They are well ahead in regard to components, but as yet they have not delivered a finished tank, nor were they expected to do so until next month.

Mr. HANSON (York-Sunbury): If the minister will allow me, do they undertake to make the complete tanks, or just parts?

Mr. HOWE: The tanks of which I am speaking are being made completely in Can-