

(G) OTHER WAR MEASURES

1. ESTABLISHMENT OF A DEPARTMENT OF MUNITIONS AND SUPPLY, OFFICIAL STATEMENT, 9th OF APRIL

The Prime Minister has announced the establishment of a Department of Munitions and Supply which will supersede the War Supply Board. The Prime Minister has further announced that the Honourable C. D. Howe, who has been supervising the work of the War Supply Board will, in addition to his duties as Minister of Transport, act, at least for the present, as Minister of the new department.

The Act creating the Department of Munitions and Supply was passed at the special session of the House of Commons, on September 12th, 1939. It provided that the Minister shall have authority:

To procure, purchase and acquire munitions of war and supplies and to procure the execution and carrying out of defence projects for, during, or respecting the present war, and to enter into contracts therefor;

To control or supervise and, if authorized by the Governor in Council, to procure, purchase, and acquire or enter into contracts for the procuring, purchasing or acquisition of munitions of war and supplies for any of His Majesty's Governments, or for the government of any allied or associated power.

A further important function of the department will be to examine into and organize the industrial resources of Canada which directly or indirectly may contribute to the provision of munitions of war and supply, and for the carrying out of defence projects. It will also take steps to mobilize, conserve and co-ordinate the economic facilities available for this purpose.

In providing for the establishment of a Department of Munitions and Supply, the Canadian government has followed the course of the British government, based on experience gained during the last war. At the time of the passing of the Act it was provided that the War Supply Board then established would function during the initial period, deferring the actual setting-up of the new department until such time as Canada's war needs rendered this step necessary. In the opinion of the government that need has now arisen.

The department will assume the contracts and work of the War Supply Board, including the responsibility of acting as purchasing agents in Canada for the British and French governments. It has been provided that the practice to be followed by the new department will be similar to that established during the initial period by the War Supply Board, including the provision that contracts will, as heretofore, require the approval of the Governor General in Council.