

War Orders in Canada Attract Attention

LORD CURZON *Reported to Have Complained that Canada's Shell Deliveries Had Been Bad—What the Shell Committee Says—Financing War Orders Raises Many Problems, but Dominion Government Has Made some Advances—Russian Orders*

THE placing of war orders in the United States and Canada is arousing considerable interest, as well-defined channels are now being cut in this connection. It is impossible to obtain complete official details, either from the governments or the companies concerned, as to the value of these orders. Reliable figures obtained by *The Monetary Times*, however, partly from both of those and from other sources, put beyond dispute the fact that the orders placed in Canada for war materials, munitions and equipment, by the Canadian, British, French and Russian governments, have a value of at least \$400,000,000. Large shipments are going forward to Europe but a steady and continuous volume of shipments probably will not be under way before the early autumn.

The exports of manufactures from Canada are being increased rapidly as a direct result of the war orders. For the month of May, the exports of manufactures had a value double that of the May exports a year ago, and the figures are still growing. Important shipments from Canada, such as those of several thousand box cars and fifty locomotives to Russia, and a thousand coal cars to France may lead, after the war, to important trade relations with the countries fighting by Great Britain's side.

CANADIAN SHELL DELIVERIES BAD?

Lord Curzon Says So—British Government's War Orders Arrangement With Morgans

Lord Curzon in the House of Lords last week gave an indignant denial to the assertion that Canadian munition makers had been snubbed. The offers received from time to time from Canadian firms have been referred to the Dominion government. He said direct negotiations had not taken place with the firms, as it was arranged such negotiations should proceed through the Canadian government. The contract with Morgans had been entered into because direct dealing with firms in the United States had proved unsatisfactory. The Morgans had not a complete monopoly even in the States. Lord Curzon added that the government desired to obtain all possible material from the Dominions.

Lord Curzon added:—"The system Lord Davenport advocated of giving orders to companies and firms have been tried in Canada in regard to forage, food, saddlery and other goods, and the results have proven so unfortunate, it had to be replaced by an arrangement under which the British government purchased the goods through the Canadian Pacific Railway Company.

"A shell was ineffective without cartridge and fuse. For these Canada had to go to the United States. That in a measure accounts for the delay which has occurred. It also interferes with contracts entered into in America.

"The delivery of shells from Canada under such orders as have been placed there has been unsatisfactory, and does not encourage orders being given on an extended scale to individual firms."

The shell committee at Montreal, which has handled all British orders for shells placed in Canada, in a statement issued last week, says:—

"The attention of the shell committee has been called to observation attributed to Lord Curzon in the House of

There are possibilities of a large business in future, especially with Russia, and Canadian manufacturers are planning, individually and collectively, ways and means to obtain this trade.

New industries are being created in the Dominion, as a result of the demand for war orders. A large copper refinery is likely to be established in British Columbia in connection with the manufacture of shrapnel shell. Various by-products of the coke ovens of the steel plants are being utilized in the manufacture of high explosives, another new industry in Canada.

With regard to the reported utterances of Lord Curzon, in the house of lords last week, as to alleged unsatisfactory features of the shell-making industry in Canada, it should be stated that the only part of a complete shell that is not made or cannot be made in Canada to-day, is the copper band, and that will soon be manufactured here. Deliveries from Canada may have been comparatively poor because Canadian manufacturers had first to install the necessary machinery and learn how to make shells. Transportation facilities also have not been good. The deliveries should improve from now on.

Some interesting matters in connection with war orders are dealt with in the four articles following.

Lords yesterday. The undertaking of the shell committee for deliveries of empty shells has been thoroughly fulfilled and empty shells to a larger amount than those delivered could be forwarded immediately if desired by the War Office.

"The British government, however, have notified the shell committee that future deliveries must be of fixed ammunition and that the further production of empty shells is no longer required. To convert the empty shell into fixed ammunition, involved the purchase of machinery and the establishment of the necessary organization by industrial companies of Canada, who were prepared to undertake the work.

Success of Shell Committee.

"The success which has attended the efforts for that purpose is regarded by the shell committee as thoroughly satisfactory, but it can readily be understood that the capacity to produce empty shells in Canada far exceeds the capacity of the organization only recently established to convert empty shells into fixed ammunition.

"The 650,000 shells which up to a couple of weeks ago had been shipped from Canada were empty shells. Since then complete shells have been going forward in small quantities and it is now assured that hereafter they will be shipped in increasing numbers.

"For obvious reasons, the official reply to criticisms has been hitherto that Canada was filling all the orders it had received, but Lord Curzon's remark has led to the fuller explanation of to-day. For completed shells Canada will get all the orders it wants and it is to the turning out of completed shells that all the energies of the shell committee are now bent."

Frederic Nicholls Protests.

Mr. Frederic Nicholls, president of the Canadian General Electric Company, Toronto, last week, sent the following cable to Mr. Lloyd George, British minister of munitions:—

"The Canadian General Electric Company communicated with the war office on October 7th last, offering to invest