

MR. THOMAS, THE SHELL COMMITTEE AND THE GOVERNMENT

Canada has been humiliated in the eyes of the Empire and of the world by the failure of the Borden Government to properly organize and manage the business of shell production in Canada. The Imperial authorities after giving the Borden government a trial of a whole year, sent a personal representative of the British Minister of Munitions to Canada to investigate the conditions under which shell contracts were being let. This representative, Mr. D. A. Thomas, recognized as one of the most capable business men in Great Britain, quietly pursued his investigations with the result that he summarily took the whole business out of the hands of the Dominion Shell Committee appointed a year ago by Sir Robert Borden, and sent for British experts who will handle the business themselves, working directly under the British Minister of Munitions.

Mr. Thomas proved himself a diplomat of the first water and he performed his unpleasant task with the minimum of public friction and with the least possible hurt to the feelings of Sir Robert Borden, his colleagues, and the members of the Shell Committee themselves. At the same time it has been exceedingly plain, through statements made by Mr. Thomas himself and through charges in the press which have never been answered, that he found the Shell Committee paying excessively high prices, that delivery was slow and the output far short of what proper organization could have secured in Canada, that very large orders were being given to manufacturing firms in which members of the Committee were themselves interested and that "the profits of the manufacturers were higher than they were entitled to." The quotation is from Mr. Thomas' own words, and the charge has not been denied.

Too Much "Politics" in Canada.

The first shell thrown by Mr. Thomas into the complacency of the Borden government and its Shell Committee was in the course of an interview given in Montreal on August 26th. He was quoted as saying:

"He believes there is more 'politics' in Canada at the present time than there is in England, and that it is a bad thing for Canada. Big political interests here, at the present juncture, who are intimately connected with manufacturing concerns, are out after orders. Orders come first—the making of munitions being a secondary outcome. Mr. Thomas repeated that it was a bad thing; but added that in so far as he was able the British taxpayer came first, and that much as he liked to see the golden stream pouring into Canada, to the benefit of her industries and individuals, he was guided by no other thought."

Prices High, Delivery Slow.

Later, on October 9th, came the statement from Mr. Thomas before the Manufacturers' Association at Montreal that the Shell Committee was to be re-

organized, and that he was empowered to place further large orders "provided prices and conditions are satisfactory," a plain intimation that he did not consider they had been satisfactory in the past. He also stated that prices had been higher and delivery slower than in Great Britain or the United States. This caused Sir Sam Hughes to publish a long statement in which he denied the accuracy of some of the statements of Mr. Thomas, and in which he undertook to defend the Shell Committee, and declared "the Shell Committee was formed by me." Just about this time, however, it became apparent that other members of the Government were trying to "get out from under" because leading Conservative papers printed several despatches from Ottawa declaring that the Shell Committee was not a Canadian Committee but an Imperial Committee, appointed at the request of the Imperial authorities and responsible only to the British government. These conflicting statements have never been reconciled.

Mr. Thomas was away from Ottawa when the Hughes statement was published. He returned on October 16th, but refused to enter into a controversy. He was quoted by the *Ottawa Journal* as saying, "I love a fight, but this is not the time," a plain intimation that if he had wanted a fight with Canada's war lord he had plenty of material for it.

Profiteering Committeemen Retired.

Nothing more was heard directly from Mr. Thomas until October 31st, the day he left Ottawa for New York, en route for England. In the meantime the news of reorganization leaked out and many stories were published showing that the Shell Committee had practically been superseded altogether by experts direct from England. Mr. Thomas verified these reports, announcing that Mr. Lionel Hichens would in future have full charge, "with the consent of the Prime Minister, the Minister of Militia and General Bertram (chairman of the Shell Committee)" in the reconstitution of the committee. He also added the significant statement that "public sentiment would probably be met by the retirement from the present committee of members interested in the manufacture of munitions," which was generally interpreted as meaning the retirement of Col. Cantley who is head of the Nova Scotia Steel Company, Mr. Watts of the Canada Foundry Company and Mr. E. Carnegie of the Welland Steel Company. There has as yet been no official announcement but it has been stated that General Bertram, who was chairman of the old committee, and who is said to hold an interest in a manufacturing plant in Dundas, may be retained in the new committee.

Letting Them Down Easy.

Mr. Thomas' parting salute when his work was done was a model of diplomacy and "letting them down easy." It was interpreted as such by the very *Tory Winnipeg Telegram*, which said:

"His farewell announcement has convulsed Ottawa with laughter. He spanked General