

proceeding on schedule. The extension to the foundry has been completed and the extension to the rolling mill is nearly ready for operation.

DEFENCE INDUSTRIES LIMITED

Although tooling difficulties in connection with bullet assembling machines are not yet a thing of the past, Verdun is now producing substantial quantities of .303" ball Mk. VII and satisfactory monthly increases are confidently expected. The Verdun plant was originally erected to make this type of ammunition exclusively but the new program envisages also the production there of .303" ball Mk. VIII, .50" Colt Browning armour piercing and ball, and .45" sub-machine gun ammunition. Major changes in layout, etc., are thus required.

At Brownsburg the changeover from .303" ball to tracer ammunition has been progressing satisfactorily, and manufacture of ball will have been eliminated by the end of the year. Output of tracer has come along well. It has been necessary, however, to provide for the manufacture of a new type of tracer known as G.II in addition to the G.IV for which the plant was originally designed. It is intended to alternate between manufacture of the two types. The changeover, from time to time, from one type to the other will result in a temporary loss of output.

CANADIAN INDUSTRIES LIMITED

In addition to .22" and .38" ammunition, the Brownsburg commercial plant is now producing .30" and will add 9 MM. as well. The proposal to install large capacity at Verdun for manufacture of .30" has been abandoned.

A U T O M O T I V E P R O D U C T I O N
B R A N C H

1. Defence Vehicles:

Production of vehicles for defence purposes covering the period July 1 to September 30, 1941, totalled 32,345 units as follows:

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|--------------------------------|---------|
| (a) for Canadian use | 2,755 |
| (b) for United Kingdom use | 18,257 |
| (c) for other Empire countries | 11,333. |

Commitments have been made for material above current orders with the manufacturers to build a total of 6,000 vehicles. This is necessary to assure deliveries in sufficient time to avoid a break in the continuity of production. The material supply situation is still difficult and commitment periods are constantly lengthening.