At the outbreak of war, the production of war materials in Canada was on an exceedingly small scale and was confined to a very limited range of equipment.

Throughout the closing months of 1939 and the early months of 1940 Canada passed through the stage of organization. Plants were established; tools and raw materials and labour mobilized; and the ground work of production laid. But apart from a few lines, such as personal equipment for our fighting men, there was little to show for our manufacturing efforts, except a steadily rising total of orders placed, and contracts let. We did, however, achieve a vast expansion of the output of essential raw materials both for our own and for British production.

Throughout 1940, there was constant criticism of the inadequacy of Canada's war production. No allowance was made for the length of time required to organize the production of complicated machines, most of which had never been made in Canada before. Today, however, the self-same critics are obliged to admit that Canada's production has reached immense proportions. They now are giving exaggerated and disproportionate emphasis to another single aspect of our war effort. Indeed, not a few of the government's critics have become altogether too indifferent to war production. They do not seem to realize, as the government realizes, that, if Canadian production is to be pushed to the limit, many of the most difficult problems are still ahead of us.

It should be remembered that Canada has undertaken, in addition to equipping her own divisions, to help equip British divisions, Australian divisions, New Zealand divisions, yes, and Russian divisions. If there is to be a united allied effort, Canadian weapons and munitions, as well as those of other countries, must be sent where they will be of the greatest service to the common cause.

In two years of war, Canada has experienced an industrial revolution. Our country is now producing almost every type of machine and equipment called for in our munitions programme. In some directions, this production has reached staggering proportions. In others it is mounting steadily.

Let me cite a few details: Our present ship-building programme involves a total expenditure of over \$500,000,000. We have built and are building large numbers of corvettes, mine-sweepers, patrol boats and motor torpedo boats. We are engaged in a merchant ship building programme of considerable proportions, so great in fact as nearly to equal Britain's own programme. Canada is also engaged upon the construction of destroyers.

We are making guns of all kinds: anti-aircraft guns, field guns, naval guns, tank and anti-tank guns, several types of machine guns, anti-tank rifles, sub-machine guns, rifles, trench mortars, bomb throwers, and smoke projectors.

In the production of aircraft, Canada's experience has not differed from that of other countries. We have had our full share of problems, delays and disappointments. At one time or another, since the war began, fifteen types of aircraft have been produced in Canada. Production is now going to be concentrated on seven modern types: an elementary trainer, two advanced trainers, two bombing and gunnery trainers, a flying boat, a twin-engine fighter and a long-range bomber. In addition to the production of new planes, some thirty plants distributed across Canada from Halifax to Vancouver are engaged in the overhaul and repair of planes. In order to meet the growing need, these facilities will require to be doubled during the next twelve months.

One of the most spectacular achievements has been the production of army vehicles. Nearly 200,000 of all types have already been delivered. Army vehicles made in Canada are in use on every battlefield of this worldwide war. A large number of tanks and universal carriers have also been delivered. Canadian tanks have already been in action in Russia.

I shall not attempt to catalogue the whole range of Canadian war production, but special mention should be made of the hundreds of thousands of bombs; the millions of shells; the hundreds of millions of rounds of small arms ammunition; and the hundreds of millions of pounds of explosives and chemicals already made in Canada. Not only are we making these munitions for our own forces and for Britain, but vast quantities have been made available to the United States.

The United States, as well as Britain, look to Canada for a part of their supply of essential base metals. Canadian production of aluminum, copper, nickel, lead and zinc has grown steadily in volume. Our steel production—the foundation of our industrial war effort—is still expanding. Since the invasion of Norway cut off all European supply, Canadian timber has been vital to Britain's war effort.

A most striking fact about our war production is that the value of the supplies we have provided for Britain since the war began has been at least as great as the cost of raising, equipping and maintaining Canada's own armed forces. In the first two years of war their value exceeded \$1,000,000,000. Britain's need for these supplies has been so urgent