

The following is a brief sketch of the growth of the munitions industry in Canada:—

The Shell Committee.—Shortly after the outbreak of war, inquiries were made of the Department of Militia and Defence by the War Office as to the possibility of obtaining a supply of shells from Canada. Ensuing negotiations led to the appointment by the Minister of Militia in September, 1914, of an honorary committee, known as the Shell Committee, to undertake the task of supplying shrapnel shell to the Imperial Government. Its status was nominally that of contractor to the British Government, but really that of agent for the purpose of placing contracts on behalf of the War Office.

Basic steel, the only kind of steel made in Canada, was found by experiment to be suitable for the manufacture of shells. The first shipments of shell from Canada were made in the month of December, 1914, and by the end of May, 1915, approximately four hundred establishments in Canada were engaged in the manufacture of shells or component parts.

The Imperial Munitions Board.—By November, 1915, the Imperial Government had placed orders in Canada for munitions to the amount of approximately \$300,000,000. This represented such a great volume of business that it was considered desirable to form a Board directly responsible to the Imperial Ministry of Munitions. The operations of the Shell Committee, therefore, were passed over to the Imperial Munitions Board. The general policy of the Committee, maintained by the Board, was that of eliminating the middleman and dealing as far as possible with those who would actually perform the work. In pursuance of this policy raw materials of every description were purchased and passed on from one contractor to another, each being paid successively for his labour. This plan had the advantage of saving the contractor large investments of capital