

At \$1,000 a Day, Couldn't Pay for Arrow in 1,959 Years: PM

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Ottawa, March 9—The vastness of the money involved in production of the Arrow aircraft was dramatically demonstrated tonight by Prime Minister Diefenbaker in a speech over the CBC national TV network.

If a man had started 1,959 years ago to spend \$1,000 a day, he still would not have spent \$780,000,000 estimated cost of 100 Arrow jet interceptors, Mr. Diefenbaker said.

Defending abandonment of the Arrow program, the prime minister said manned aircraft were no answer to the missile and best information was that the USSR was making missile launching its main objective.

Canada would be in the front line in any war. Under the NATO treaty Canada would be

at war at the moment an aggressor struck any NATO ally, including the United Kingdom, the United States, France and Germany.

"These are the very facts of survival that face us as a nation today," he said. "They are the facts on which our defense policy decisions have to be made."

The decision to abandon the Arrow had been taken only after deep and heart-searching consideration. Every possible course had been examined and senior officers of the armed forces and cabinet ministers literally ranged the free world for defense contracts to keep the Arrow staff employed.

There had been ample evidence before the cabinet that the Arrow would be obsolete before it could be delivered in minimum quantity in 1961.

"No one will ever know the

strength and the force of the pressure that was brought against the cabinet to force it to do that which was not fair to the Canadian people," Mr. Diefenbaker said. "My view is that there can be no justification for the spending of millions or billions on any defense which is known to be potentially useless."

Similar defense security of the same areas and to the same extent as the Arrow would be provided by two Bomarc squadrons at a cost to Canada of \$20,000,000.

He had known the decision would mean a substantial lay-off of the Avro work force. What the cabinet had not anticipated was the sudden, immediate and precipitate action of the Avro company in dismissing all its employees.

"A question suggests itself,"

he said. "Was this unjustified action taken as part of the pressure campaign?"

"I need not tell you that my heart was heavy over the implications in this decision. I reaffirm that sympathy that must be in the hearts of all of us for those who were laid off and assure them of the highest level of continuing effort on the part of the Government to get them back to work as soon as possible so that Canada may retain their experience, skills and loyalty for the great tasks that lie ahead of all of us."

Last year out of \$730,000,000 in Canadian defense contracts, only \$20,000,000 or 3 per cent had been placed outside Canada.

"Canada must also receive a just and fair share of the joint production costs entered into by Canada and the United States,"

he said. "We will not be satisfied with the leftovers."

"I have made that clear to the United States authorities. Canada has the right to a fair share of the joint defense production loaf—and not just to crumbs."

He denied the installation of Bomarc meant a loss of sovereignty. There would be no more loss of Canadian sovereignty than the United Kingdom had lost by the installation of U.S. bases there or than France and Germany lost by the presence of Canadian troops and air squadrons on their soil.

"Let this be clear," he said. "There will be no sovereignty for any of the free nations in the end if each goes its own way. There can be no survival unless there is unity and co-operation among each and all of the free nations."

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