

**editorial**

# Economic Expedience Seals Fate of the Arrow Program

The Canadian government has taken its defense dilemma by the horns and faced up to a rugged decision which will shape the future of the aviation industry in this country.

The basic decision is an economic one. Development and engineering costs are such that the government feels it can no longer support a policy under which industry produces weapons designed specifically for Canadian needs.

It does not represent a clear cut choice between manned aircraft and missiles as the best means for defense against air attack on North America. The ideal, as has been frequently stressed by Defense Minister Hon. George Pearkes, remains a combination of aircraft and missiles. The Canadian government has decided that under present circumstances it cannot afford both. On the basis of long-range defense planning it has put its money on missiles.

The immediate result has been cancellation of a major portion of the Avro Arrow weapons system project. While the airframe and engine programs have been given a reprieve and are to be carried on under development status at least until next March, it is clear that only a considerable change in circumstances will see them continued beyond that time.

There is no need to emphasize the seriousness of the effect which cancellation of the Arrow will have on the Canadian aviation industry. There is hardly a plant which was not gearing some portion of its production facility for participation in the Arrow program.

Prime Minister John Diefenbaker and

his advisers are painfully aware of this situation. In an effort to mitigate immediate reaction to the blow, the Prime Minister stressed in his announcement that negotiations were proceeding to ensure the participation of Canadian industry in immediate and future programs for procurement of U. S. designed weapons.

There was the implied hope that such arrangements might extend to equipment for American as well as Canadian forces.

While a period of readjustment is inevitable then, there is legitimate ground for the belief that at least a major portion of the aviation and related industries may survive at least as production entities without the Arrow program.

It appears, however, that original research and development by the Canadian industry has received a serious setback. And this, we believe, represents the most telling, long-term blow.

For its size, the Canadian aviation industry has contributed well beyond its share in discovery and development to the world community of aviation. The Arrow itself is an outstanding example of the design and engineering capabilities of the specialized teams which companies here have built up over the years. If such teams must bow out now, they at least bow out in style.

It is unfortunate indeed that the government's efforts to arrange for a joint participation of Canadian and U. S. industry in supplying the needs of NORAD were not (at least so far) sufficiently well received as to encompass inclusion of the Arrow weapons system in the overall defense network — strictly on merit.