# **Defence Production for Peace**

## By the RIGHT HONORABLE C. D. HOWE

## Minister of Defence Production



ANADA, together with other likeminded nations, is embarked on a defence programme that is designed to

discourage aggression. In doing this, we are strengthening our defences not for war but for peace. Under the circumstances, our defence effort must necessarily be many sided. Not only must we build up our military strength but we must also make sure that we do not undermine our economic strength.

In imposing our Canadian defence programme on an expanding economy, it has been the Government's policy to do it in such a way as to preserve and strengthen the economic fabric of our country. In the past year, we have diverted materials, industrial capacity and manpower from less essential industries to defence production without unduly disrupting the economy. We have encouraged resource development in this country, not only to add to our own capacity to produce but also to help our allies to obtain more of those critically short supplies which are needed to carry out defence work and to maintain the economic well-being of the countries of the free world. This is one of the most significant contributions that Canada can make to the common defence effort.

Canada's direct defence effort is not confined solely to the production of weapons of war to meet the immediate needs of our armed forces and those of our allies. Under present conditions, these requirements are necessarily limited. That is why

our preparedness programme, if it is to be effective, must go further by increasing our potential military and economic strength. In other words, we are building up productive facilities in Canada which can be quickly expanded in the event of an emergency. Furthermore, in keeping with our policy of strengthening the economic basis of our country, we have tried to fit defence work, wherever possible, into production currently undertaken. Where it has been necessary to bring in new facilities to fill defence requirements we have tried, wherever possible, to ensure that they would also be in a position to make a contribution to civilian production as well.

This is especially true in the field of aircraft production where we have a new and growing industry in Canada. In the last war, Canadian production was limited to the manufacture of airframes. Today, we are setting up facilities to produce complete aircraft in this country with many of the parts Canadian made. To encourage this trend towards a more self-sufficient aircraft industry in Canada, the Government has permitted the use of accelerated depreciation and has made grants of capital assistance to firms expanding their (Continued on page 71)

international situation is not likely to produce any cutbacks in orders, since the present program represents the minimum considered necessary to provide adequate air defence. As a result, Canada's Aircraft Industry can count on a substantial backlog which will see it through the next ten years. The lean years are past for the present at least. Who knows, they may never come again.

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up for a jet trainer and twin engine navigation trainer.

Many other projects have been or will shortly be completed. Products new to Canada, such as instrument bearings, precision aircraft forgings, aircraft engine gears and fuel systems are rounding out the program and further ensuring the availability of components to this rapidly expanding industry.

While the production rates are relatively low and the design and change problems ever present, we must maintain these facilities ever ready for immediate expansion to produce the greatest possible aircraft of the most modern and most effective design.

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production or producing components in this country for the first time.

In the past year we have seen steady progress made in the preparations for the production of aircraft to meet our defence requirements. The tooling up and preparatory period is of necessity somewhat long drawn out where many of the items to be produced are still in the development stage and when in many cases new plants and facilities had to be set up. It should, however, be borne in mind that we have been working on the basis of a three-year programme. On the whole, our progress in this first year has been satisfactory.

Looking ahead, I feel that the programme will move at an increasing pace during the coming year. The pattern is pretty well laid down now. In this period of accelerated preparedness, as during the last war, I am confident that our aircraft industry will serve Canada well.



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