

1.—Canadian Government Defence Orders, by Programs, Years Ended Mar. 31, 1950-52

NOTE.—Figures exclude stockpiling but include capital assistance.

Program	1949-50	1950-51	1951-52	1951-52, by Quarters			
				Apr.-June	July-Sept.	Oct.-Dec.	Jan.-Mar.
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Aircraft.....	88,517	302,358	486,201	92,529	187,061	67,393	139,218
Shipbuilding.....	4,188	79,171	125,985	66,462	32,256	5,454	21,813
Tanks, automotive.....	12,384	27,137	61,597	19,599	19,015	9,932	13,051
Weapons.....	672	9,061	147,337	11,673	42,089	58,989	34,586
Ammunition and explosives.....	2,413	11,755	129,530	10,457	38,109	63,795	17,169
Electronics and communication equipment.....	16,779	87,098	80,754	20,386	8,463	2,147	49,758
Fuels and lubricant.....	26,073	20,128	34,186	12,430	5,923	1,585	14,249
Clothing and equipment.....	16,711	33,332	171,439	15,831	52,563	46,392	56,653
Building supplies and equipment.....	13,179	22,906	29,748	3,177	18,898	4,581	3,092
Construction.....	28,672	67,645	184,488	45,782	55,419	41,666	41,621
Miscellaneous programs ¹	33,326	51,355	106,807	16,329	27,427	31,246	31,805
Components for aircraft ²	—	38,135	206,684	101,590	96,090	9,004	—
Armament and other equipment for two infantry divisions ³	—	14,684	68,358	35,649	—	32,709	—
Domestic district office orders.....	4	4	68,294	14,783	20,287	16,789	16,435
Totals.....	242,914	764,765	1,901,408	466,677	603,600	391,682	439,449

¹ Food and other subsistence; protective and lifesaving equipment; medical and dental equipment and supplies; photographic equipment and supplies; laboratory, scientific and other instruments; conveying, elevating and material handling equipment; construction, mining and excavating equipment; production equipment; administrative equipment and miscellaneous. ² Equipment, including engines and electronic devices, purchased from the United States Government for incorporation in Canadian-built aircraft. ³ Purchased in the United States to replace United Kingdom-type weapons and equipment sent to Europe under Mutual Aid. ⁴ Up to Apr. 1, 1951, orders placed by the domestic district offices were allocated according to programs.

Table 2 shows defence procurement orders according to the countries in which they were placed. Large government orders were placed in the United States, as the expanded defence program got under way, being especially large during the first two quarters of the fiscal year 1951-52. In the second half of that year, orders to the United States declined rapidly. The proportion of orders placed in the United States rose with the expansion of the defence effort and then tapered off during the fiscal year 1951-52 from over a third in the first quarter to less than a twenty-fifth in the last.

Following a decision to standardize on United States rather than British types of army weapons, plants had to be tooled up to meet new specifications and, while this was being done, heavy initial orders were placed in the United States for equipment of types to be produced later in Canada. The decision to produce, in Canada, existing types of United States aircraft also meant placing heavy orders in that country for components, particularly engines and electronic equipment.

When Canadian production is in full swing, some items such as tanks may still be imported, since Canada's requirements are not large enough to justify laying down a plant for every kind of equipment. The general policy regarding defence production in Canada and the United States is based on the "Statement of Principles for Economic Co-operation", signed by the Canadian and United States Governments on Oct. 1, 1950. This indicates, among other things, that "our two Governments shall co-operate in all respects practicable and to the extent of their respective executive powers, to the end that the economic efforts of the two countries be co-ordinated for the common defence and that the production and resources of both countries be used for the best combined results"