

Defence Production, the Department of National Revenue, the Department of Finance, the Department of Trade and Commerce, and the Department of Transport, and two students from the Royal Canadian Mounted Police. Representation on the course from outside Canada included one member each from the Royal Navy, the British Army, the Royal Air Force, the Foreign Office of the United Kingdom, the Commonwealth Relations Office, the United States Navy, the United States Army, the United States Air Force and the State Department of the United States.

The Royal Canadian Air Force Staff College at Armour Heights in Toronto, Ont., is a permanent establishment preparing officers for staff appointments in the Air Force. The course affords advanced Service education for officers normally of Wing Commander and Squadron Leader ranks, fitting them for appointments appropriate to their present ranks and preparing them to assume higher appointments. The Directing Staff selected from the Royal Canadian Air Force is augmented by an exchange officer from each of the Royal Canadian Navy, the Canadian Army, and the Royal Air Force. The student body, in addition to Royal Canadian Air Force officers, has eight representatives from the Royal Canadian Navy, and one or two from each of the Canadian Army, the Royal Air Force and the United States Air Force. The objective of the course is to assist the student to think logically and express his ideas with precision both orally and in writing, to know his Service and understand the employment of air forces, to keep abreast of scientific and technical developments that may affect the employment of air forces and to gain a perspective of national and international problems. Lecturers are drawn, when desirable, from industry, the Armed Forces, the diplomatic corps and universities. Instructional visits are made to commercial and military establishments at home and abroad.

PART II.—DEFENCE PRODUCTION*

Under the provisions of the Defence Production Act (R.S.C. 1952, c. 62, as amended), the Department of Defence Production has exclusive authority to procure the goods and services required by the Department of National Defence and the responsibility to ensure that the necessary productive capacity and materials are available to support the defence production program. The Department also buys material for the Civil Defence program and serves as procurement agent for the Canadian Commercial Corporation, a Crown company primarily responsible for the purchase in Canada of defence goods required by other governments and of supplies needed to meet Canadian commitments under the Colombo Plan and other international agreements. Military construction is the prime responsibility of Defence Construction (1951) Limited, a Crown company reporting to Parliament through the Minister of Defence Production.

During 1958 the Department of Defence Production and Defence Construction (1951) Limited placed defence contracts on behalf of the Department of National Defence having a total net value of \$730,652,000, this representing an increase of 20.6 p.c. over the preceding year. (The net value of contracts placed includes the value of new contracts issued as well as the value of amendments that increased or decreased the commitments of existing contracts.) Although most of the major defence production programs registered increases in the net value of contracts issued during the year, a notable exception was the significant decline in the electronics and communication equipment program, resulting primarily from the termination of the integrated electronic system for the *CF-105 Arrow* aircraft.

Contracts and amendments issued in connection with the aircraft program, the largest area of defence procurement, amounted to \$300,185,000, an increase of 55 p.c. over 1957. This program accounted for 41 p.c. of the total net value of contracts placed in 1958, as compared with 32 p.c. in the previous year. The major commitments were for the super-sonic *CF-105 Arrow* aircraft and its *PS-18 Iroquois* jet engine, the *CS2F Tracker* carrier-based aircraft, the *CP-107 Argus* maritime reconnaissance aircraft and the *CC-106* long-range transport, the *T-33 Silver Star* jet trainer, the new *CC-109 Cosmopolitan* medium-

* Prepared by the Economics and Statistics Branch, Department of Defence Production, Ottawa.