

were too many people in the corporation before, or there were too many people in the Department of Reconstruction and Supply who were purchasing for defence, or something else is wrong. I do not see how you could cut the staff twenty-five per cent.

Mr. BOUCHER: Are there any employees of the Canadian Commercial Corporation, other than the nine on loan from national defence, who are entitled to benefits under the Civil Service Superannuation Act or the Retirement Act? If not, has any other superannuation scheme been set up for the employees?

Mr. MacKINNON: There is one other employee only from another department who is in the permanent civil service. No superannuation policy has been set up, nor can there be except by approval of the governor in council, but I believe that some consideration has been given to the whole question and there is still the possibility of the organization being taken under the civil service commission.

Mr. BOUCHER: That being the case, since the salaries of those employees who are under the Civil Service Superannuation Act may be increased by the Canadian Commercial Corporation, will their contributions to superannuation and their benefits increase accordingly?

Mr. MacKINNON: These men are paid superannuation on the basis of their salaries in the department.

Mr. BOUCHER: Perhaps the minister did not understand my question. When these employees left the Department of National Defence I take it they were paying into the superannuation fund a percentage of their salaries; now, since they have gone to the Canadian Commercial Corporation, it is probable their salaries will be increased, and their contributions and benefits under the act will increase accordingly as civil servants. Will the same situation apply when they are working for a crown company and not for the government?

Mr. MacKINNON: All I can say is that the superannuation payments are based on the salaries they received in their old department.

Mr. BOUCHER: That does not make the situation clear.

The CHAIRMAN: Order. I do not think I should endeavour to limit the discussion on this bill, but it does seem to me that we are now going beyond the limits of the bill in discussing the civil service. The principle of the bill has been adopted on the second reading and now all discussion must be directly

[Mr. D. G. Ross.]

pertinent to the clause under consideration. I cannot see anything in clause 7 which would allow a discussion of the civil service.

Mr. BOUCHER: While I can see your viewpoint, Mr. Chairman, I do not think you exactly appreciate the fact that here we have certain personnel of one department of the government being taken over by the corporation. Provision was made by order in council and announced in the house some few months ago that the status of these employees under the Civil Service Superannuation Act would be maintained, and I was asking whether, since their salaries may be increased with the corporation, provision has been made for their contributions and benefits to be increased accordingly.

Mr. MacKINNON: I have nothing to add to what I have already said.

Mr. GREEN: I would ask the two ministers a question as to the present situation in regard to industry. It has always been of vital importance that there should be close liaison between the government and the industries that are to manufacture weapons. During the war that contact was maintained by the Department of Reconstruction, I presume, and before the war by the Department of National Defence. What is to be the arrangement under this change? Is the Canadian Commercial Corporation to keep in touch with those industries, or is there any responsibility on the Department of National Defence? I understood from the Minister of National Defence this afternoon that all his officers would be to decide what kind of equipment they wanted. But somebody must act as a liaison with industry. Is that responsibility to rest on the Canadian Commercial Corporation or on the Department of National Defence, and how is the responsibility to be met?

Mr. CLAXTON: That is still being developed along the lines I described when this matter came before the house in February and also this afternoon. Under this bill the Canadian Commercial Corporation will be primarily responsible for obtaining tenders for contracts. In addition, there are other functions in connection with the procurement of munitions, which are just as important and which, together with procurement, form part of the whole complex of industrial organization for war. There are four main aspects of that: standardization, industrial organization, inspection and procurement, and all must work very closely with research. We are setting up a series of agencies whereby the Department of National Defence, Canadian