

Defence? Is it to undertake all works required by national defence, or is the Department of National Defence to go first of all to public works to see whether they will undertake the construction and, if not, then go to the corporation to see whether they will? Do they intend, as it were, to call for tenders to see whether public works or the corporation can do it more cheaply, more quickly and more efficiently? Are they going to try to hawk the job they want to have done between the Department of Public Works and the corporation? To use the term frequently used in the services, it seems to me that they will be given a merry run-around in trying to get done the work they want done.

If this corporation is going to set up a special engineering department of its own, then I suggest that the Minister of Finance will not achieve his object of saving money. It is inevitable that there will be duplication in setting up a new branch to carry on construction work for the Department of National Defence only instead of taking full advantage of the facilities of the Department of Public Works. It is beyond my comprehension to see the advantages of having construction work done by this corporation.

There is just one other point I should like to refer to. Are men who have been overseas to have the advantages of veterans' preference? Are the veterans of this war to receive the same preference from this corporation that they receive from the civil service? How many of the personnel now on the strength of the corporation are returned men, have had actual experience in any of the three services? As I say, I cannot see any advantage at all in placing construction work under this corporation.

Hon. BROOKE CLAXTON (Minister of National Defence): Mr. Speaker, as one charged with the responsibility for defence I think I should say something in reply to the observations made by hon. members of the official opposition. My only interest in this bill is that it helps in the defence of Canada. Were I to feel otherwise, I would certainly not support it. The purpose of the bill is to facilitate the procurement of supplies and equipment for the armed forces.

I would point out to my hon. friends that the bill follows directly along the lines of our wartime experience. It does not seek to set up a new technique or method for dealing with procurement. It results from the fact that during the war we developed, in the Department of Munitions and Supply, one of the best methods of procurement of any country fighting on our side. Rather than go back to what we had before the war, and

[Mr. Pearkes.]

which had to be replaced, we thought we would try to keep the principle of the Department of Munitions and Supply and see if we could not secure in peace time something of the great efficiency and economy of effort and concentration of purpose that that department was able to secure in war time.

With that end in view it was felt that it would be exceedingly unwise and improvident for the government of Canada to dissipate the purchasing apparatus of the Department of Munitions and Supply once the war was over. With the creation of the Department of Reconstruction and Supply the purchasing personnel, the "know-how", to use their term, which they had acquired during the war and all their records and files were transferred to that department. As the period of reconstruction ends we have sought to create an agency which would do just that job and which would continue to have in close association with the government and with the services of Canada the same people who had done the work so well.

The Canadian Commercial Corporation was created, not only for the purposes of purchasing for the Department of National Defence, but for the other purposes that parliament or the government might provide for it.

Mr. GREEN: May I ask the minister a question?

Mr. CLAXTON: I think I ought to be allowed to finish. We are not in committee at the moment.

Mr. GREEN: I just wish to ask a short question. The minister said that Canadian Commercial Corporation was created for the purpose of purchasing defence supplies.

Mr. CLAXTON: If the hon. member was listening he must have heard that I went on and said as well it was created with that intention as well as to do other work for which it was created. It may not have been made known when the corporation was set up by statute that that purpose was envisaged, because we had not reached that stage in the process of reconstruction; but that purpose was in mind at the time the corporation was set up.

Mr. FRASER: Why was not parliament told?

Mr. CLAXTON: Because the time had not come for parliament to be told.

Mr. BOUCHER: Why was it to expire in 1949?

Mr. CLAXTON: The hon. member will appreciate that during the period since 1946 there have been a great number of develop-