

Mr. McCANN: On many occasions I have heard the hon. gentleman on a question of privilege correct slight inaccuracies when they concerned himself or his party, which he had a perfect right to do. But when it comes to a matter of wrongly accusing the government or an agency of the government of over-expenditure or extravagance, apparently he is content to have it broadcast from one end of the country to the other.

Mr. FRASER: As it should be.

Mr. McCANN: I am not averse to criticism—

Mr. FRASER: Because you are absolutely wrong.

Mr. McCANN: But I do suggest that the hon. gentleman should have some regard for accuracy and not make such extravagant and untrue statements as he did on May 6.

Now I come to the speech made by the hon. member for Dufferin-Simcoe.

Mr. MACKENZIE That was not a speech.

Mr. McCANN: He too evidently thought he was at the circus, but not in the capacity of carrying water. In fact he appeared to be the main spieler in front of the big tent inside the main gate where they keep the elephants.

Mr. GRAYDON: Maybe that is why *Hansard* confused him with the minister of reconstruction.

Mr. McCANN: He spoke of reckless extravagance and inefficiency with no specific instances to back up his contention. He even went further, Mr. Speaker; he made a direct charge, and I quote from *Hansard* of May 7, 1947, page 2851. Talking of expenditures, he said:

Last year the taxation burden upon the people was very heavy. I realize, however, that you cannot decrease taxation so long as there is inefficiency and reckless extravagance in government; and, Mr. Speaker,—

Here are his words.

—I charge this government with being reckless in their extravagance in maintaining a bureaucracy which was built up, evidently through necessity in time of war, and adding to a regiment of civil servants which should have been decreased instead of increased.

An hon. MEMBER: That is true.

Mr. MACKENZIE: Listen to the facts.

Mr. GRAYDON: Whose speech is this?

Mr. McCANN: In refutation of that charge, and in view of the not infrequent recurrence during recent months of inquiries relating to the fluctuations of total personnel in the civil service since 1939, it was felt that a brief but comprehensive review of the situation might

[Mr. Fraser.]

contribute to a better understanding of this whole question by hon. members as well as by the general public. The reason I speak as I do, Mr. Speaker, and in this capacity, is that I was chairman of a committee of a cabinet which investigated the matter of civil service reduction.

During the war years the civil service grew from 52,000 in 1939 to a peak of 142,000 at May 1, 1945. This increase was largely due to the creation of purely wartime departments such as munitions and supply, wartime prices and trade board, national war services, and to the civilian complement of our greatly augmented armed forces. Part of this increase can also be attributed to the additional war duties that were undertaken by many of the old established departments. It must be further borne in mind that during this period the total strength of the so-called servicing departments such as finance, comptroller of the treasury, public works, civil service commission and so on, was necessarily in direct proportion to the over-all strength of the service.

Following the cessation of hostilities in Europe in May, 1945, there was a steady decline in the number of civil servants to a total of 129,000 in January, 1946. This period of retrenchment was followed by one of expansion until, in October, 1946, the total strength of the civil service had all but reached the wartime peak of 1945. Anomalous as this may appear on the surface, there is a logical explanation in fact. As a result of new legislation and post-war reorganization, new departments such as national health and welfare and veterans affairs were being organized and staffed more quickly than certain war departments could be contracted. Further, a more rapid rate of demobilization than had been anticipated in the armed forces necessitated in many instances the taking on of civilians to fill posts normally held by military personnel.

It was at this time, in September of last year, that the civil service reduction programme which had been instituted in the early summer of 1945, was reorganized under the immediate direction of a special ministerial committee. Surveys, conducted by competent authorities, indicated that if vigorous and determined steps were taken by the various departments, reductions of from 15,000 to 20,000 might be effected by the end of the fiscal year without impairing efficiency or interfering unduly with the performance of necessary services.

The objective set for April 1, 1947, has in fact been exceeded since the total net reduction during this six-month period has been slightly more than 21,000 or, on a percentage basis, approximately fifteen per cent.