

Mr. CLAXTON: Have not been able to—

Mr. DIEFENBAKER: I have not—I beg your pardon?

Mr. CLAXTON: Go ahead.

Mr. DIEFENBAKER: I hope the minister is not endeavouring to place himself ahead of the Postmaster General as an outstanding counsel.

Mr. BERTRAND (Laurier): I wish the hon. member would state his point, because from the way he has started he is not going to land anywhere.

Mr. DIEFENBAKER: I can see that the ministers themselves do not agree. The Postmaster General has been most clear; he has stated that this corporation can discharge as agent only such powers as it has within the act.

Mr. CLAXTON: And so says the Minister of Finance; so says the Minister of Trade and Commerce, and so says the Minister of National Defence.

Mr. DIEFENBAKER: The Minister of National Defence is trying to exculpate himself from the difficult position he is in. It is clear to me now, but it took all this time to find out that there was some reason for doing this in this indirect way, doing something that has never been done before by the addition of another section. There is something hidden here and the minister is endeavouring to put it through in this indirect manner.

Mr. MacKINNON: No; nonsense.

Mr. BERTRAND (Laurier): How can the hon. member link what he has just said with the remark I made a few minutes ago?

Mr. DIEFENBAKER: I specifically absolved the Postmaster General, because apparently he does not know anything about the argument that took place earlier and the defence by the Minister of National Defence and the Minister of Finance. I have placed this matter before the committee, and apparently the minister is adamant. It now comes back to what I stated originally, that the reason the government is going about this in this indirect manner is to circumvent the provisions of the Civil Service Act in so far as defence purposes are concerned.

Mr. MacKINNON: Surely that is incorrect.

Mr. BOUCHER: Now that the minister has his officials before him, I wonder if he could answer some questions. How many employees are there in the Canadian Commercial Corporation at the present time?

How many of those employees have overseas service preference? How many of them have permanent status under the Civil Service Act and the Civil Service Superannuation Act? How many are on loan to the corporation from private industry? How many are on loan from the Department of National Defence?

Mr. MacKINNON: The total number of employees in the corporation at the moment is 332. The number of employees enjoying overseas preference is fifty-six out of 184 male personnel. There are nine permanent civil servants on loan from the Department of National Defence, and there are four on loan from private industry, in this case the Canadian National Railways.

Mr. FRASER: That is an increase of 212 over May, 1946, is it not?

Mr. MacKINNON: I am told that is about right.

Mr. ROSS (St. Paul's): How many have been transferred from the Department of Reconstruction and Supply to the corporation?

Mr. MacKINNON: A total of 188 were transferred.

Mr. ROSS (St. Paul's): What else will they do besides purchasing for the Department of National Defence?

Mr. MacKINNON: By merging those transferred from the Department of Munitions and Supply and those who were in the employ of the Canadian Commercial Corporation, the corporation has been able to make a twenty-five per cent cut in the staff.

Mr. ROSS (St. Paul's): Why were they able to make a cut in the staff?

Mr. MacKINNON: By merging and reorganizing the two staffs.

Mr. ROSS (St. Paul's): Would the people who were transferred do other jobs besides purchasing for the Department of National Defence?

Mr. CLAXTON: Yes.

Mr. MacKINNON: As I am sure the hon. member knows, the corporation has been doing very considerable purchasing for the Department of National Defence. For instance, during the last couple of years it has been purchasing for foreign governments, and these transactions have run into hundreds of millions of dollars and have entailed a great deal of work.

Mr. ROSS (St. Paul's): You will not need as many people now to do purchasing for foreign governments and so on. Either there