Supply-National Defence

\$7,150,000 voted for 1949-50. There is also a slight increase for naval and aircraft stores.

Mr. Harkness: How many new ships coming under this amount do you expect to have come into service this year?

Mr. Claxton: We have contracts let or arranged for nine ships including an Arctic transport icebreaker, three antisubmarine vessels, four minesweepers and a gate vessel. None of the ships will be completed this year with the possible exception of the gate vessel, which is the smallest of the nine. Next year will see the completion of some of the minesweepers. The completion of the others will depend on the progress made by the yards, and also on the most difficult problem of what modifications will be made.

**Mr. Harkness:** Some of this money is for payments on these nine ships?

Mr. Claxton: Yes, the \$9 million is all for payment in respect of the year 1950-51. The total program involves over \$35 million.

Mr. Fulton: Under each service there is included in the sundries item an amount for communication services. Does that mean what other departments call telegraph, telegrams and telephones, or is that a special communications service of the defence department?

Mr. Claxion: It is telegraph and telegrams.

**Mr. Fulton:** Does the department maintain its own communication system operated by the Royal Canadian Signals?

Mr. Claxton: Yes, indeed. We have an interservice signal system with a network covering pretty well all of Canada. I think the service extends for a total of about 35,000 miles. It is also in communication with ships at sea and with other countries of the commonwealth. It is a completely integrated triservice system without overlapping, the navy army and air force each contributing some part to it. On occasions such as the Fraser valley floods, as the hon. member will recall, the Winnipeg floods and washouts in the maritimes, it has handled all commercial traffic when the commercial signal services could not carry on.

Mr. Fulton: Is the cost of that charged under this communication heading?

Mr. Claxton: No. It comes out of the general vote.

Mr. Fulton: Under each appropriate service?

Mr. Claxton: Yes.

[Mr. Claxton.]

Mr. Fulton: Is that used for the ordinary requirements of the defence department or is it kept especially for emergencies?

Mr. Claxton: It is used from day to day for the ordinary requirements of the defence department, and also for some messages for other government departments.

Mr. Fulton: What I really wanted to ask, and will ask now, is whether it is used to the maximum for the ordinary routine business of the department so as to keep the charges made by commercial companies down to a minimum.

Mr. Claxton: Yes, indeed.

Mr. Fraser: Where is the steel for these nine ships being purchased?

Mr. Claxion: In Canada.

Mr. Fraser: All in Canada?

Mr. Claxton: There will be some special sizes, shapes and pieces that it will be more economical to get from the United Kingdom, but the great majority comes from Canada.

Mr. Fraser: It was reported in the press some time ago that some of it was coming from Germany. Is that so?

Mr. Claxton: No.

Mr. Fraser: I am glad to hear that

Mr. Harkness: Could the minister tell us the situation with respect to our naval aircraft at the present time? Have we secured any of the newer types, or are we still operating with the types that were current at the end of the war? Where are our replacements coming from? Are we making any in Canada, or are they coming from Great Britain or the United States?

Mr. Claxton: We are still using aircraft which were either in existence or coming into production at the end of the second world war. They are Sea Fires, Sea Furies and Avengers. We do not make any in Canada, but those we now use are modified and repaired in this country. We do not plan on making any in Canada at the present time; and whether or not we will replace those now in use will depend upon the policy adopted with respect to the naval air arm and also upon developments in other countries. Only now are the United Kingdom and the United States commencing the production of post-war types of naval aircraft. We believe the situation will see a good deal of development in the next two or three years, and we believe the best course to follow for the present at least is to carry on with the equipment we have.

Mr. Harkness: Under the item of fuel costs for ships, aircraft and mechanical equipment